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SIR BASIL BLACKETT'S FIRST BUDGET

I

THE full text of Sir Basil Blackett's statement introducing the Budget is just now available in this country but until the detailed Budget and the Report of Lord Inchcape's Retrenchment Committee can also be studied, nothing but a summary review is possible of the Indian Government's financial proposals for 1923-24. The earlier Press reports, telegraphed from India, gave reason to hope that they would receive a favourable reception by the Assembly. It was, of course, only to be expected that the doubling of the salt tax would again, as last year, provoke much controversy but there could have been few who would have anticipated that, rather than agree to the enhancement of the salt duty—to which, on economic periods the objections raised are really without substance—the Assembly would have turned to such doubtful expedients as refusing to vote the railway annuities from revenue. The acid test of any country, as of an individual is finance," as Mr Baldwin has reminded this country. Whatever views the Assembly may hold as regards the sufficiency of their control over expenditure, and however much they may feel themselves justified in challenging the constitutional questions involved in the removal from their criticism of the Military Budget, it is idle for them to shirk the issue which has been bluntly and frankly put before them by the Finance Minister. The future solvency of India is dependent on her balancing her

income and her expenditure, and on the restoration of her credit by the discharge of debt. Five years' neglect of this cardinal principle of sound finance has resulted in recurring and growing deficits which aggregate the formidable total of 100 crores, in the piling up of a rupee debt of 275 crores, and in the accumulation of a sterling debt of £63,000,000. India has hitherto enjoyed high credit in the financial world. Save in 1915-16, when, indeed, the outbreak of the Great War violently but only temporarily dislocated the financial arrangements of the Indian Government, there was until 1922-23 no occasion in the financial history of British India when expenditure has been proposed which was not estimated to be covered by revenue. Again, until quite recently, the vast bulk of Indian borrowings had been almost invariably for the purposes of capital development, and India had always shown an admirable example of applying an adequate share of her revenues towards the discharge of her debt. The recurring deficits of the last five years have to some extent impaired this credit, more particularly, comment has been provoked by the deliberate adoption by the Assembly in March, 1922 of an uncovered Budget in 1922-23 but even so, criticism was withheld when it was known that a mandate was to be entrusted to a strong and authoritative committee to examine searchingly the possibility of, and to propose economies in the administration. The situation to-day is vastly different from that of a year ago. Lord Inchcape's Committee have made their recommendations. These have been adopted and embodied in Sir Basil Blackett's Budget, which, even with the assistance of these large economies, can yet be balanced only by the imposition of fresh taxation. A second uncovered Budget this year cannot fail to leave behind it reactions prejudicial to India's financial credit.

II

Let us very rapidly run through the chapters of Indian financial history for the last five years.

The earliest indications of the gathering of the clouds on the Indian financial horizon began to appear in the closing months of 1918-19. That year, which was estimated to close with a surplus of nearly four crores, actually resulted in a deficit of 6 crores. In framing his Budget for 1919-20 Lord Meston, then in charge of the Finance portfolio, anticipated a slight excess of revenue over expenditure. But the hope of a surplus was rudely shattered by the occurrence of the Afghan War, and Sir Malcolm Hailey, who, as Lord Meston's successor, had to guide Indian finances through the three following years, was left with the unenviable duty of reporting to the Legislative Council in March, 1920, a deficit of no less than 24 crores. Forecasting the results of the year 1920-21, Sir Malcolm Hailey again budgeted for a small surplus, and again, and for the third year in succession, disappointment followed, the deficit on this occasion being 26 crores. Under the cumulative pressure of these recurring deficits the Indian Government had reluctantly to recognize the necessity of imposing fresh taxation. With the assistance of enhanced Customs duties, enhanced income and super taxes, and railway rates on freight, it was hoped that revenue would so far exceed expenditure in 1921-22 as to leave a small surplus of 71 lakhs. As the year progressed it became evident that these estimates would never be realized, and the ultimate result was a deficit of 34 crores.

What were the causes of these successive deteriorations? Primarily, no doubt, the finances of India, as those of all other countries, were deeply affected by the aftermath of the War. Military expenditure, as also other expenditure more or less directly connected with the War, only very

slowly reacted to peace conditions—and, as we have seen, the close of the Great War was almost immediately followed by the Afghan War, which threw a large and unexpected burden on India. It is, of course, at least arguable whether the cost of this war should not have at once been recognized as justifying new taxation, more particularly as signs were already appearing that the revenues of the Government of India were likely in the near future to be called upon to assume entirely new burdens. The new constitution which was to be granted to India was then gradually beginning to take shape. Among its prominent features it included the separation of central from provincial revenues, by which means alone the local governments hoped to secure that measure of financial autonomy and immunity from financial interference for which they had for years been clamouring. Large and important heads of revenue were to be transferred to them from the Central Government, who however, were to be recouped by a system of provincial contributions for the loss of the incomings from land revenue, stamps, excise, forests and irrigation. The detailed proposals ultimately adopted were based on the report of a committee presided over by Lord Meston, but it may be said, without exaggeration, that the scheme thus elaborated met with universal disapproval. It could, indeed, only have been tolerated had it coincided with a period of large surpluses in the Indian Budget, which could have provided a means for the gradual extinction of these provincial contributions. But of such extinction there could be no hope so long as the Central Government were annually piling up growing deficits.

The fact however, is that during the early months of the post war period the attention and thoughts of those responsible for the direction of the affairs of India were engaged—it might almost be said to the exclusion of all

other questions—on the framing of the new constitution. The warnings of those whose association with Indian finances entitled them to speak with authority, as to the direction in which Indian finances were tending, passed unheeded. Taxation would, it was felt, impede the passage of the reforms schemes. And simultaneously it must be observed in common fairness to the Indian Government, the internal situation in India was full of distracting anxieties, which it was feared, additional taxation would certainly aggravate. Meanwhile, with the removal of the restraint which war finance had necessarily laid on civil departmental expenditure, schemes for expansion and reorganization were brought out from the pigeon holes in which they had been resting for the previous five years and carried into operation. Trade and commerce, on the other hand, after the first outburst of the post-Armistice boom, were beginning to feel the effects of the depression in which the whole world ultimately was caught. The export trade was the first to be affected, and with the contraction becoming daily more and more marked in the foreign demand for Indian produce, exchange fell rapidly away from the summits to which it had attained, while imports contracted for in the first few months after the cessation of hostilities continued to pour into India, to find no market for their consumption. These trade conditions reacted on the revenue, the expansion which they had been showing in the latter half of the war period was arrested, and the receipts from both indirect and direct taxation and from railway traffic began to fall away. At the same time the hopes which an appreciating rupee had raised of a reduction in home charges were brought to the ground, indeed, an additional burden had to be shouldered, as with the falling away of exchange an attempt—ineffective as it proved to be—was made to fix it at the high level which was to bring the desired relief.

III

The tale which Sir Malcolm Hailey had to unfold at the Budget session of March, 1922, was a truly melancholy one. The accounts of the year then closing were estimated to show a shortage of 34 crores, while the forecasts for the coming year 1922-23 anticipated, on the basis of the taxation then in force, a shortage of $31\frac{1}{2}$ crores. An increase in the passenger fares, which the Government proposed to introduce by executive order, would, it was estimated, reduce the gap between income and expenditure to $25\frac{1}{2}$ crores. This was to be met by an enhancement in Customs duties, including a corresponding increase of the duties on cotton goods locally manufactured by a raising of the income tax and super tax, and by doubling the salt duty. Even then the estimates would leave an uncovered gap of $2\frac{1}{2}$ crores. Sir Malcolm Hailey brought out the point, to which we have already referred, that this was the first occasion—save that of 1915-16—on which the Executive had met the Legislature with an uncovered Budget. He appealed to the Assembly to give their support to the fiscal measures proposed, in the assurance that the Government had spared no efforts to secure economies, and were determined to cause a searching inquiry into the possibilities of effecting further economies in their administration.

The appeal fell on deaf ears. The Assembly refused flatly to accede to the increases in the cotton excise and in the salt duty. Ostensibly the opposition to this last measure was based on the alleged inability of the Indian consumer to bear this additional burden. How much, or rather how little, substance there was, and is, in this argument was pitilessly exposed by Mr. Innes, who pointed out that the enhancement in the salt tax would only take this impost to the level at which it had stood for fifteen years.

before 1903, when years of fat surpluses enabled, if they did not actually compel, the Indian Government to reduce this particular form of tax. The annual consumption of salt per head of population is 6 seers: an increase of 20 annas per maund would thus result in an annual additional payment of 12 annas per household of four. It was idle to suggest that the Indian consumer of salt, who had borne this burden throughout the nineties, when he was immeasurably worse off than he is at present, could not now support this inconsiderable additional demand. As to the proposals regarding the cotton excise duties, the rejection of these, of course, proceeded from the desire to protect the Indian cotton industry against the competition of Lancashire. The cotton excise duties have always been looked upon with bitter hostility not only by the Bombay mill industry, which is most directly concerned with them, but by all Indian opinion, which sees in Protection the most direct method of industrializing India. These considerations apart, there is reason to believe that, *au fond*, the Assembly in their rejection of the Budget proposals were influenced by a desire to challenge the Executive on a constitutional issue. The vast bulk of the Government's expenditure is in the Military Budget. In the estimates of 1922-23, it represented over 50 per cent of the revenue. Over this expenditure as over any expenditure on reserved subjects, the Assembly has no control: it has to accept the votes proposed by the Military Department. It is not unnatural, therefore, that the Assembly should chafe at the conditions in the Indian Constitution which, while they impose on them the responsibility of voting the taxation required to produce the funds which the Administration claims to be necessary, deny them the power of effectively checking expenditure on reserved subjects. The Assembly may have hoped that Lord Reading would exercise the

Governor General's power of "certifying" the Finance Bill. If this was their hope, they were disappointed, and the Budget emerged from the Legislative Assembly with the salt duty, the excise duty, the duty on machinery and on cotton piece-goods excised from the Finance Bill. The result was an uncovered deficit of 916 lakhs.

It was in these circumstances that the Indian Government summoned to their assistance Lord Inchcape and his Retrenchment Committee. The task before them was an unusually difficult one, if it was to have effective results, their scrutiny of the Central Government expenditure must be completed in time to admit of the embodiment in the Budget for 1923-24 of their proposals for economy. The Committee discharged their duties with the effectiveness and promptitude which were expected of their Chairman. The full text of their Report has not reached this country, but Press reports state that their proposals are calculated to achieve a reduction in expenditure of 19 crores, of which the bulk will be in the Military Budget, substantial economies being also effected in the Railways and Posts and Telegraphs Budgets. The full effect of these economies cannot naturally be immediately realized, but to the extent that their proposals can be applied at once, they have been incorporated in the Budget which was placed before the Assembly on March 1. The anticipated deficit of 9 crores is now likely to be nearly doubled to $17\frac{1}{2}$ crores. Despite savings of 4 crores in expenditure which include a small saving of 50 lakhs in the Military Budget, the revenue position shows considerable deterioration under Customs, Income Tax, Posts and Telegraphs, and Railways, amounting in all to $12\frac{1}{2}$ crores. Gross railway traffic receipts are short by $7\frac{1}{2}$ crores, and, despite some savings in working expenses, the year's working will show a loss of 1 crore where an estimated profit of 5 crores had been looked for.

In the coming year the estimates anticipate a revenue,

on the basis of existing taxation, of 198½ crores, and an expenditure of 204½ crores. In the non-military portion of the Budget economies of 4 crores are to be effected, while military expenditure is to be reduced by 5½ crores to 62 crores. The reduced military expenditure is, however, contingent on the acceptance by His Majesty's Government of proposals, still under discussion, for a substantial reduction in the strength of British and Indian troops. The full application to the military expenditure of Lord Inchcape's proposals would have brought the Military Budget down to 57½ crores.

There will then be, on these estimates, a deficit of 585 crores—a figure not so far differing from the further economy which might have been possible if full effect could have been given to the Axe Committee's recommendations. But Sir Basil Blackett proposes to bridge this gap in other ways. He renews the proposal to double the duty on salt, which will bring in an additional 4½ crores, while to meet the balance he proposes two measures, both of which mar the otherwise severely orthodox character of his Budget. Revenue is to be credited with the interest on the securities held in the Gold Standard Reserve. This reserve which has been built up at the expense of revenue it is true mainly out of the profits on coinage, was created to support exchange, and, save on one occasion, when £1,500,000 from the reserve were diverted to railway capital expenditure, has been allowed to retain the interest which the securities held therein are earning. Looking to the present circumstances of the Indian Home Treasury balances, the application to revenue of the interest on these securities can be justified, but only on the ground that *pro tanto* there will be a reduction in the amount of the remittances which the Indian Government will need to make to London, and, from this standpoint, the reserve is literally being utilized for the functions it was created to

serve The second measure is the crediting to revenue of the interest on the securities held in the Paper Currency Reserve. The effect of this measure, which was approved by the Assembly in 1922, will be to relieve the Indian Treasury of the payment of interest on its borrowings from that reserve, and will preclude the cancellation of a corresponding amount of the note circulation Neither of these measures will commend itself to the financial purist, but the exigencies of the moment call for extraordinary expedients, and that these should find a place in a Budget framed by so distinguished an authority as Sir Basil Blackett is sufficient indication of the complexities which are now surrounding the Indian financial problem

IV

The balancing of revenue and expenditure represents only part of the problem which faces the Indian Treasury An almost equally important matter is that of making provision for the funds needed for capital outlay during the year, and for the continuous financing during the year of the transactions, whether on capital or revenue account, in London as well as in India. A deficit Budget, of course, adds to the difficulties of this part of the financial problem, and inasmuch as the Ways and Means programme of the Indian Government—as this portion of the Budget is known and described in the Financial Statement—is closely connected with, and is really largely dependent upon, as well as influences, the course of exchange, much interest centres in that section of the Finance Member's speech which forecasts the capital expenditure of the coming year, and the methods whereby finance therefor, as for the other transactions of the year, is expected to be found.

During the War, save for the first eighteen months, the difficulty before the Indian Government was to secure rupee

funds in sufficiency to meet disbursements in India. They were releasing, as will be remembered, vast amounts of Indian currency on behalf of the British Government to pay for the service of troops in India, Mesopotamia, and elsewhere in the East, and for the purchase of war material and foodstuffs bought in India. Against these disbursements the Indian Government were repaid by the British Government in sterling in London. As a result they found themselves with constantly increasing sterling balances and credits, while their rupee resources were *pro tanto* being depleted. Despite the enormous purchases of silver in London, Australia, and America, with which they sought to fill the void in their rupee funds, the Indian Government were left at the close of the War with very considerable sterling balances. They had also created a reserve of £20,000,000 to be applied to railway capital expenditure as soon as the cessation of hostilities should release the activities of British manufacturers from the making of munitions, and enable them to divert their plant to the supply of the railway material which India sorely needed. This reserve was, however, very soon exhausted, and, with the depletion of their sterling balances, chiefly as a consequence of the sales of Reverse Councils, the Indian Government within three years of the Armistice found themselves confronted with a situation radically different from that which was the cause of so much anxiety during the War. Their Home Treasury balances fell to a very low level, the fall in exchange made it impossible for them to make remittances from India to replenish these balances, and with the urgent need of rehabilitating the Indian railway system which had been starved of the necessary equipment during the war years, they were forced to come to the London market for the requisite sterling funds. Indian sterling loans were thus placed in London, the first of £7,500,000 at 7 per cent, the second in two series,

aggregating £22 500,000 on a $5\frac{1}{2}$ per cent. basis, and the third of £20,000,000 on a $5\frac{1}{8}$ per cent. basis

In the coming year, 1923-24, Sir Basil Blackett estimates that fresh sterling borrowings will be needed, and for estimate purposes he takes these at £15,000,000. Over and above this large sum the Government will, he anticipates, require to remit £27,000,000 to London. It is clear, therefore, that the financing of the transactions of their Home Treasury will strain the resources of the Indian Government very seriously. No indication is, however, given as to the particular method whereby will be effected the large remittance required to keep the Home Treasury in funds, but whatever course is adopted in this connection, the task will not be an easy one. It will be vastly facilitated or impeded by trade conditions, by differences in the rates for money in India and in London, and by the policy which the Indian Government may adopt in the current year in regard to their floating and short-term debt, and in regard to their note circulation.

It is not possible, within the limits of a summary review of the whole of Indian finances, to analyze in detail the implications of these several subsidiary issues. Indian trade conditions have begun to swing round towards the "normalcy" of an excess of exports over imports. In the nine months April to December 1922, exports of merchandise, Indian and foreign, exceeded imports by $53\frac{1}{2}$ crores, net imports of gold and silver in the same period, however, reduced this excess to just under $35\frac{1}{2}$ crores, and is on the movement into India of precious metals that will hang, to a very large extent, the possibility of a firming up of rupee exchange sufficiently marked to justify the Indian Government to resume their sales of Council bills and transfers which represent the normal method whereby they effect their remittances to London. A judicious and skilful beginning in this direction was made in January and

February of this year, when, taking advantage of an upward movement in exchange caused by a spasm of monetary stringency in Bombay, the Indian Government sold rupees to an amount of £2,000,000. As this temporary condition passed away, these sales of rupees have been discontinued, and the near advent of the slack season suggests that their resumption will need to be postponed until the autumn, and even then much will depend on the strength and distribution of the monsoon, on a recovery in the trade conditions of the world and, as just indicated, above all, on the continuance of the Indian demand for gold and silver. Nobody we imagine, would be rash enough to forecast events in regard to this latter point. In the last ten months India has absorbed no less than £30,000,000 of gold and silver, and there is at present no sign of any abatement in her takings of the gold which is weekly placed on the London market. It is, however, easy to realise how any sensible diminution in her requirements for precious metals can affect the course of exchange. Against an import of merchandise of 166 crores there has been an import of gold of nearly 25 crores, a decrease in these imports, assuming no change in the volume and value of exports, would sensibly affect the gap between imports and exports which it would be the function of exchange to correct.

Money conditions in India have, in recent years, been greatly influenced by the Government's policy in regard to their sales of Treasury bills. These represent a novel feature introduced in 1917 by the late Sir William Meyer—and may quite conceivably be retained as a permanent method for the financing of the Indian Government transactions during the lean months of the year, when Exchequer receipts fall short of outgoings, and the Indian Treasury needs to anticipate the ingathering of tax revenues. They have, of course, in the last five years, been utilized for quite

different purposes as a means of raising funds they have, perhaps, been too readily resorted to, and certainly the method of selling them, at a fixed rate determined by the authorities, has been criticized as being extravagant. Latterly, however, they have been put up for tender, as British Government Treasury bills have in the last eighteen months, a welcome reduction has thereby been achieved in the cost of this finance to the Indian taxpayer, and, what is even more particularly satisfactory, the outstandings have now been brought down to the manageable figure of 20 crores, as against 53 crores in March, 1922. In 1923-24 Sir Basil Blackett assumes a further reduction of $5\frac{1}{2}$ crores, but there is, of course, no significance attaching to this particular figure, which is assumed merely for estimate purposes. Far greater weight will attach to the reduction, in the last twelve months, in this form of borrowing, which has apparently been effected by the cancellation of floating debt through a successful flotation of short-term bonds maturing in five and ten years. In the coming year a rupee loan is to be raised to yield 25 crores, and, since the discharge of funded rupee debt to the extent of 5 crores must be provided for during the year, the possibility is indicated that the reduction in the outstandings of floating debt may even exceed the estimated figure of $5\frac{1}{2}$ crores, though, since there will be more than a corresponding increase in other short term rupee debt, the net effect will be only a postponement of the time when the Indian Government engage to meet their obligations.

The figure just quoted of the outstandings of Treasury bills refers only to that portion of their floating debt which the Indian Government have borrowed from the public. They have also incurred an obligation, in the same form, to the Paper Currency Department, and this obligation amounts to 57 crores. This figure, in fact, represents that portion of the note issue which is backed by the Indian

Government I O U's. These have been reduced in the past year by 8 crores, but in 1923-24 no provision is made for the retirement of these I O U's. Indeed, as we have seen, even the payment of the interest on these I O U's has been suspended, and is again this year to be suspended. The impossibility in the present state of Indian finance of purging the note circulation of this uncovered portion, of course, directly influences the course of exchange, and prevents the application of one of the methods by which the State can intervene to assist in an appreciation of its currency.

Whether, in the event of an improvement in Indian finances the Indian Government would proceed with a cancellation of these uncovered notes is a question at present purely academic, but it has some bearing on the question of stabilizing exchange—a question on which a vast amount of ink and oratory have been poured. There is in Sir Basil Blackett's speech a brief reference to his views on this very difficult issue. We are told that while stability should, in his view, be the goal to be aimed at, and while State finances would be advantaged by a higher rate of exchange, violent measures to force up this rate should be avoided, and in any case the time had not yet come to attempt stabilization. Sir Basil, it will be remembered, was associated, as Secretary, with the Chamberlain Currency Commission of 1913, he is known to have given much study and attention to the vexed questions connected with Indian exchange, and his experience in connection with the sterling dollar exchange during and after the War adds special weight to his views. No part of his first Financial Statement as India's Chancellor of the Exchequer will command more interest than that which deals with questions of currency and exchange. For nearly two years the State has stepped aside and allowed Indian exchange to respond to the law

of demand and supply This is what for many years a certain section of Indian trade interests have been loudly clamouring for The Indian bullion market has enjoyed complete freedom and exemption from State interference in the matter of movements to and from India of gold and silver, the duty on silver has been removed—a measure which was incessantly pressed on the Indian Government ever since its imposition in 1910 Stabilization can only be effected by a reversion to the state of affairs when the Indian Government assumed a responsibility for keeping exchange from rising or falling below certain fixed points. It is therefore not consistent with that freedom from State interference with exchange which has so often and so insistently been pressed for, and in present circumstances it may be suspected that those who are so vocal in the cause of stability are really concerned, not so much with stability, but with the revision of the ratio at which the rupee has been standardized by statute.

G

THE RECORD OF THE KATO ADMINISTRATION

BY T OKAMOTO

THE Cabinet formed by the Japanese Premier, Admiral Baron Tomosaburo Kato, in June 1922, can already look back with some justification for pride upon its record of activities during the nine months it has been in office. The Premier, it will be remembered, was one of the Japanese delegates to the Washington Conference, and was popularly credited in Japan with having taken at least his fair share in the conduct of negotiations. It was natural, therefore, that his Government should have been regarded as pledged before the whole world to carry out, both in the letter and in the spirit, all the international engagements entered into at Washington, and this view has been justified by the event. Apart from the settlement with China of such a difficult problem as the retrocession of the leased territory of Kiaochow, the Government also deserve recognition for their courage in completely withdrawing the Japanese forces from Siberia. It is no longer of interest, in view of the *fait accompli* to recapitulate the reasons for which this military expedition was originally jointly undertaken with certain of the Allies, nor why it eventually became the topic of so much adverse comment, both at home in Japan and abroad; but it is unfortunately, still necessary to observe that, pending a final settlement of the Nikolaievsk affair, Japanese relations with Russia cannot be entirely satisfactory. In this connection one may recall the guarded words of the Premier at the resumed session of the Japanese Diet on January 23, 1923, when he briefly reviewed the foreign relations of Japan:

“ In the Far East affairs have recently somewhat improved. Conditions in Russia have shown gradual improvement, and in Far Eastern Russia the political situation has tended likewise towards stabilization ”

The Minister for Foreign Affairs, Count Yasuya Uchida, who addressed the Diet on the same occasion in a speech of considerable importance, was also non-committal in his remarks upon Russo-Japanese relations, although he traced the course of recent events with candour and in some detail

He said

“Towards Russia Japan has always followed the fundamental policy of non-interference in her internal political affairs. We hope that, so soon as political conditions in that country are stabilized, we may be able to settle various questions, maintaining accord so far as possible with the other nations concerned. While the Far Eastern Republic was still in existence, Japan sought to open commercial relations with that country and promptly withdraw her troops from Siberia, and our representatives met those of the Chita Government at Dairen and negotiated several months with a view to reopening commercial relations with Siberia, but the Conference ended in no agreement. Political conditions in the Far Eastern Republic having shown indications of gradual improvement, the Government decided to withdraw all Japanese troops from the Maritime Provinces at the end of last October, and at the same time to endeavour once more to revive commercial relations with the Republic. On condition that negotiations should be conducted on the basis of those agreements reached at Dairen, our representatives met the Russian representatives at Changchun, but the friendly and conciliatory attitude of our representatives was not reciprocated by the Russians, and the conference adjourned without agreement being reached. The Japanese Government, nevertheless, carried out their decision to withdraw the troops entirely from Siberia and North Manchuria. From the beginning our Russian policy has been animated by a spirit of fairness, and the withdrawal of our troops in conformity with previous declarations amply demonstrated the sincerity of our intentions. Soon after the

withdrawal, the Far Eastern Republic, having been incorporated with Soviet Russia, ceased to have an independent existence. It is the earnest hope of the Government that conditions both in European Russia and in Siberia, will soon be stabilized, and that Russia will properly appreciate her responsibility for the unfortunate affair of Nikolaievsk, and change the attitude she has hitherto maintained, so that the opening of commercial intercourse may thereby be hastened."

The passage in the above speech referring to the incorporation of the Far Eastern Republic with Soviet Russia is of peculiar interest. When in August, 1921, the Japanese representatives met the representatives of the Far Eastern Republic at Dairen for the purpose of clearing up all outstanding questions regarding Eastern Siberia, it was nominally the Chita Government and not the Soviet Government of Moscow with which they had to deal. Moreover, the Chita Government had declared itself non-communistic, and claimed that it was influenced by purely democratic principles. Considering the hesitation generally displayed at that period by European Governments to enter into direct negotiation with Moscow at the conference table and that Tokio was no exception in this respect it must be assumed, by the light of subsequent events, that Chita made use of the democratic atmosphere with which it sought to surround itself to induce the Japanese Government in the first place to enter into negotiations. In the course of the Conference it was made clear however, that the influence of Moscow was predominant, and, after nearly eight months of futile discussion the Dairen Conference broke up in April, 1922, without any agreement having been reached. An official statement, which was promptly issued by the Foreign Office at Tokio, showed that the Japanese Government had included among the conditions preliminary to the establishment of commercial relations with the Far Eastern Republic the non-enforcement of communistic principles in the Republic against Japanese and the prohibition of Bolshevik propaganda. Other conditions were the abolition of menacing military

establishments and the adoption in Siberia of the principle of the open door, together with the removal of industrial restrictions on foreigners. The Chita representatives, on their part, had pressed for an agreement that a committee should be set up to revise the fishery conventions, and that Soviet Russia should be represented on this committee, whilst the Japanese delegates desired that this proposal should coincide with the acceptance by Chita of a draft military agreement regarding the withdrawal of the Japanese troops from Siberia. As regards the very sore point of evacuating her troops from North Saghalien, Japan declared herself prepared to negotiate for a settlement of the Nikolaievsk affair as soon as a basic agreement had been reached at Dairen. She promised then to withdraw from North Saghalien and meet Chita's wishes with regard to the transfer of property there which was still in Japanese hands.

Up to this point there seemed no reason why the Dairen Conference should not succeed in its objects, but the hopes which had been raised so often during its progress were once more doomed to disappointment. The fateful issue was reached on the question of the Japanese withdrawal from Siberia. Japan offered, if agreement were achieved at Dairen by the middle of April, to withdraw her troops instead of providing the relief forces which were due at that time. Chita insisted not only on fixing a time limit for the withdrawal, but that it should take place immediately, and that she should send her own troops forthwith to Vladivostok. The Japanese Government refused to consent to this proposal, regarding it as indicating a lack of belief in Japanese good faith. The deadlock was thus complete, and the Conference broke up.

Such was the position of affairs confronting the Kato Administration on taking office, and the decision which it announced shortly afterwards to withdraw from Siberia and other points on the mainland by the end of October was, under the circumstances, both generous and wise, and was probably not without effect upon the Chita Government. In any case, proposals for a new Conference were received from Chita by

the Japanese Government towards the end of June, 1922, and thus time the inclusion of delegates of the Russian Soviet Government was openly put forward by Chita. These proposals were eventually accepted by Japan, but she declared that the Dairen negotiations must serve as the basis for the new Conference. The Conference duly opened on September 6, 1922, at Changchun (Manchuria), the Soviet Government being represented by M. Joffe and the Far Eastern Republic by M. Janson, while Japan sent Mr. Matsudaira, Chief of the European and America Department of the Foreign Office and Mr. Matsushima, formerly Consul-General at Harbin, the latter having also acted as a Japanese delegate at the Dairen Conference. All went well for the first two weeks, and a considerable measure of agreement was reached upon such matters as mutual abstention from propaganda and hostile actions, liberty of entry and travel and safeguards for the lives and properties of respective subjects and citizens. Questions regarding rights to engage in commerce, industry, and the professions, freedom of trade and navigation, the revision of the Russo-Japanese Fishing Convention etc., were also in a fair way to being solved when M. Joffe brought matters to a sudden climax by requesting the Japanese to fix a date for the evacuation of North Saghalien. Whether the Soviet representative desired to wreck the Conference, or whether he interpreted the spirit of conciliation which the Japanese delegates had manifested throughout the proceedings as a sign of weakness which warranted an attempt to force their hands, it is impossible to say, but he should have known that the one thing which no Japanese would concede was to evacuate North Saghalien before satisfaction had been received for the Nikolaievsk massacre than which probably no event in their long history has moved Japanese of all classes and of all shades of political feeling more profoundly. M. Joffe's demand met with a firm refusal, and the Conference broke up.

It has been necessary to describe the course of events at Dairen and Changchun thus fully in order to make it clear that

the Japanese Government's Far Eastern policy has been gradually adapting itself to the change brought about by the development of the Russian Soviet Government's influence in those regions. As remarked above, it was not the fashion at one time to engage in diplomatic conversations with Soviet Russia's representatives round the conference table, but fashions change, and the Japanese Government were perhaps not unmindful of the precedent set at Genoa. Nevertheless, in spite of their disappointment at the negative result of both attempts to settle satisfactorily by direct negotiation the Eastern Siberian question, the Japanese Government maintained its policy of withdrawal, and the whole of the Japanese forces had left Siberia before the end of October.

What will now be the next phase in Russo-Japanese relations? Will the Kato Administration remain passive, or will it endeavour to resuscitate the question of concluding a treaty of amity and commerce?

It is not impossible to hazard a guess at the direction towards which events are moving, and, curiously enough, interest again centres round the person of M. Joffe, the Soviet representative at Peking whose dramatic intervention, as recorded above, in the Changchun Conference was productive of such unfortunate results. Some weeks after the break-up of this conference, M. Joffe was stated to be suffering from a nervous breakdown, and in January this year it was reported that he had received, and accepted, an invitation from Viscount Goto, the Mayor of Tokio and President of the Russo-Japanese Association of Japan, to visit that country in order to recuperate. Rumours became current that M. Joffe's ill-health was not sufficient to interfere with his activities in certain influential circles in Japan, and early in February various interpellations on the subject were addressed to Count Uchida, the Minister for Foreign Affairs, in the Diet. Once more the Government policy was emphasized that their troops would be withdrawn from North Saghalién immediately the Nikolaievsk affair was settled, but, Count Uchida remarked, the Government did not share the opinion which had been expressed that the con-

clusion of a Russo-Japanese commercial treaty was impossible so long as the troops were retained. The Government view was that the withdrawal and the conclusion of a commercial treaty were two entirely distinct matters to be settled separately. Referring more particularly to M. Joffe, the Foreign Minister stated that although the Government were alive to the necessity of holding a third Russo-Japanese conference sooner or later, he was unable to say at present whether such a conference would take place, as M. Joffe was in Tokio in a private capacity. In his reply to a further question, Count Uchida stated that as Mr. Kawakami, the Japanese Minister at Warsaw, had been permitted to travel through Russia as a private individual, the Government had no grounds for refusing permission to M. Joffe to visit Japan, *particularly in view of the necessity for a resumption of trade relations with the Russian Government*. The italicized words are the most definite official statement that has yet been made of the views held by the Japanese Government, and have served to strengthen the belief that M. Joffe may play a more peaceful rôle in the future as regards Russo-Japanese relations than he has in the past. For the moment, however, his health appears to be seriously affected, as a bulletin issued in March by three doctors who are attending him at Atami, the well-known Japanese Spa near Tokio, declares that he is suffering from sciatic gout and that relief has had to be given by means of narcotics and frequent injections. In any case, M. Joffe's convalescence and the recovery of his full powers will be awaited with much interest both in Japan and elsewhere.

Just before the Kato Administration came into being the representatives of Japan and China had formally exchanged ratification of the Sino-Japanese Agreement on Shantung which had been signed at Washington on February 4. The Kato Government lost no time in appointing their members for the joint Sino-Japanese Committee who were to negotiate at Peking the details of the Agreement and on December 1 the agreement covering the details of the retrocession of the leased territory of Kiaochow was signed at Peking by the

delegates of China and Japan Five days later the Shantung railway agreement was signed, the value being fixed at forty million yen and the rate of interest at 6 per cent Quite unceremoniously, and without that flourish of trumpets with which, perhaps, the Japanese Government might quite justly have ushered in such an important event, the civil administration of Tsingtao was formally transferred to the Chinese Government on December 10, and the Japanese troops, the civil officials and their families, boarded transports in the harbour and sailed for Japan on December 17

Referring to these events a few days later, Count Uchida remarked that, although Tsingtao was formerly only a small fishing village situated in a remote corner of Shantung, the Germans had foreseen its possibilities for the future, and had made comprehensive plans for improving both the town and the harbour During the eight years that the territory was under Japanese management, the plans for improvements had materialized, and Tsingtao had been developed from an unknown fishing hamlet to one of the greatest commercial ports in the Orient Count Uchida expressed the hope that China would be able, now that the control of the port was in her own hands, to take full advantage of its commercial possibilities

The Government's action in relegating to the limbo of the past the two great questions of Siberia and Shantung met with approval both at home and abroad, and, commenting thereon, the *Japan Advertiser* remarked in December that two of the most effective weapons in the armoury of anti-Japanese propagandists had been rendered useless, and that Japan had given official proofs of her generous intentions towards her neighbours on the Asiatic mainland

In China itself the Tsingtao settlement appeared to have had a good effect, and early in January the Students' Association at Swatow (South China) passed a resolution to cancel the boycott against Japanese goods on the ground that, inasmuch as Japan had treated China as her friend by the restoration of the Tsingtao territory, China was under the obligation to treat Japan in the same amicable spirit It frequently

happens, however, that popular sentiment and the movements of high politics do not coincide, and as the result of pressure brought to bear in the Chinese Parliament, on March 10, 1923, the Chinese Government addressed a note to Japan expressing a desire for the abrogation of the Sino-Japanese Treaty of 1915 embodying the famous Twenty-one Demands, alleging that the Treaty had been consistently condemned by public opinion in China from the commencement, and that, under the pressure of this public opinion China considered it proper, in view of the imminent expiration of the lease of Port Arthur and Daren to improve the relations between China and Japan by formally declaring the whole agreement abrogated. This sudden demand on the part of the Chinese Government created something of a sensation, and it was even reported in a telegram despatched by a foreign news-agency at Tokio that the Japanese Foreign Office had refused to accept delivery of the Note. This rumour was, of course, unfounded, and the official reply of the Japanese Government was handed simultaneously to the Chinese Chargé d'Affaires at Tokio and to the Chinese Government by the Japanese Minister at Peking on March 14. The note consisted of a polite but firm refusal to consider the abrogation of treaties concluded and notes exchanged in 1915 which had been formally signed by Japanese and Chinese representatives, properly invested with full powers by their respective Governments and which had been duly ratified by the respective heads of the States concerned. Moreover, new arrangements had recently been made between Japan and China on certain matters, stipulated in these treaties and notes, and the Japanese Government declared that they found absolutely nothing in the treaties and notes which was susceptible to further modification.

In well-informed political circles in Japan, the Chinese *démarche* had not been regarded too seriously, opinion inclining to the view that internal necessities, rather than other causes, had dictated the course taken. Latterly signs of a recrudescence of anti-Japanese agitation, combined with some

fantastic machinations in certain Chinese circles, have become manifest, and a connection between the *démarche* and the renewal of this agitation is suspected. Japan is taking the whole matter calmly, but in any case it seems a pity that the improvement in Sino-Japanese relations, which had undoubtedly set in towards the beginning of the year, should be imperilled.

An incident occurred in January in connection with some remarks of the Japanese Premier in replying to interpellations in the Diet with reference to the execution of the Washington Naval Treaty which gave rise to some comment abroad. Admiral Baron Kato was reported to have stated that an understanding existed between the British, American, and Japanese Governments regarding the steps to be taken in the event of other countries not ratifying the Washington Naval Agreement. Admiral Baron Kato actually said that if it should happen that France and Italy did not ratify the Naval Treaty an agreement of some sort might be reached between the United States, Great Britain, and Japan, but that, apart from this question, the Japanese Government intended for the purpose of economizing expenditure in the spirit of the Washington Conference, to carry into effect the Budget estimates framed on the basis of the Washington Naval Treaty. Viscount Kato, the leader of the Opposition, who had elicited the above statement from the Premier, then asked whether the Japanese Government had not consulted the British or American Governments in regard to the steps to be taken with reference to the Budget estimates for the coming year, should ratification be delayed by France and Italy. To this the Premier replied that no official negotiations had been in progress with either the American or British Governments, but that the three Powers had been in close touch, informally, and not as a measure of official procedure, on the subject of naval budgets through their respective representatives and naval experts.

It is of interest to note that political party leaders in Japan also were considering the question of the surplus to be obtained by the reduction of the armament estimates. In January,

Viscount Takahashi, the immediate predecessor of Admiral Baron Kato in the Premiership, and now the leader of the Seiyukwai (Liberal Party) in the course of a speech to his supporters, suggested that the surplus derived from the reduction of armaments should be used for increasing the state grant for elementary education and also for river conservancy works. Viscount Kato, leader of the Kenseikwai (Constitutionalists) and also of the Opposition, speaking at a party meeting in the same month, suggested that the Treasury surplus should be devoted to the relief of the farmers who were in a bad way. The Government's views on the question of the employment of this particular revenue surplus have not yet been made known, but they are proceeding to carry out the programme of retrenchment and reform announced by Admiral Baron Kato when he assumed the Premiership, with great firmness.

It is not generally known what a drastic view Baron Kato took of this question, nor that he circularized his colleagues at the head of the various Departments of State that a reduction of at least 20 per cent. was to be arranged in their departmental estimates for inclusion in the next Budget, and that, with regard to the Army and Navy estimates, the reduction was to be still larger than 20 per cent.

It might be considered, judging from the foregoing, that the spirit of economy was paramount in Government circles, but this is hardly borne out by the announcement that Count Uchida has introduced a Bill in the House of Representatives with the object of using forty-four million yen from the Boxer indemnity and fifteen million yen from the sale of the Shantung railway for the purpose of promoting Sino-Japanese relations and for grants in aid of Chinese students in Japan, the mutual exchange of lecturers, and the upkeep of Japanese schools in Tsingtao. Thus, whilst exercising the strictest economy at home, the Kato Administration appears to believe in the relaxation of the purse-strings when such a procedure can assist, however indirectly, in the maintenance of friendly relations abroad.

THE FRENCH COLONIES AND BRITISH TRADE

BY ROGER DE BELLEVAL

THE French Colonial Empire is, after the British, the most extensive and the richest in the world, yet it is largely undeveloped. In Africa the difficulty is chiefly shortage of labour, in Indo-China the rise in the value of the local currency has prevented the establishment of large French firms. It follows, therefore, that in order to develop these colonies it is necessary to extend their trade with the outside world. At present the trade of the French colonies is very largely with the mother country. From the point of view of sentiment this is desirable, but, nevertheless, the French market, to be frank, cannot be expected to be the sole, or even the largest, recipient of French colonial produce.

Before the war there was a large amount of German enterprise in the French colonies, and there is no reason why England should not now take her place, and help in those spheres which are beyond the power of French commerce. In point of fact, England already has an important position in this respect. In the case of West Africa she occupies the second place, immediately behind France. In 1919 the amount of English shipping that entered and left those ports amounted to a tonnage of 2,220,000—i.e., 26.4 per cent. of the total—whilst the value of the goods shipped and discharged was 244,918,000 francs—i.e., 30.5 per cent. of the total. The proportions are less favourable in the case of the trade with Madagascar, where England and the British colonies can only claim 15.8 per cent. of the imports and 18.1 per cent. of the exports.

On the contrary, English trade has the first place in Indo-China, being far in front of the French. In 1921 the British imports (including those of Hong-Kong, Singapore, etc.) represent 436,351,000 francs, 54 per cent. of the total, and the exports 630,420,000 francs, 48 per cent.

The same year 382 English vessels entered the Indo-Chinese ports, aggregating 737,162 tons, coming very near behind

While in Indo-China British colonies and dependencies take the first place in British trade, in the case of Morocco England alone exported into that country in 1920 goods valued at more than 212,000 000 francs, 21 per cent of the total imports of the protectorate, the goods exported into England amounted to 69,983,000 francs, 26 per cent of the total English vessels come second behind France, and reached 736 entered and left, aggregating 505 638 tons—i.e. more than 11 per cent

However this is not true co-operation between the two countries, and a clever and fair system of Anglo-French collaboration would be very useful both for France and England and might take different forms

1 There is some machinery, absolutely necessary for the colonies which France does not build—e.g. rice-barking machines English firms might well study supplying them as cheaply as other countries, and with improvements corresponding to local conditions—climate, quality, and customs of the workers, etc. Some improvements might tend to increase in important proportions the produce of colonial industries

2 Some products which, in other countries, supply a remunerative trade are often useless, because they have no openings for intensive cultivation, without which no profits are possible English business men might open up these regions with a network of commercial roads to transport the products in question Production would at once grow under the influence of the increasing demand

3 There are industries in which France does not possess specialized engineers—e.g. petroleum It would be to the benefit of all if English specialists would study the problems of that kind which await solution in the French colonies It appears that petroleum exists in the Indo-Chinese subsoil, engineers working in Burma or Bornea should come and bore for petroleum in a country so near to those where they are working

4 France has very little money which is not invested already The rebuilding of her devastated regions require all her resources Such a situation does not exist in England

Thus it would be very desirable to see the establishment of companies possessing one-third of English capital

Co-operation of this kind should have remarkable economic results the French colonies would grow rapidly, and at the most vital points, without undue haste, at present there is almost stagnation French business men are ignorant of all that lies outside their own firms, they know almost nothing of the world's market Englishmen are better informed regarding the general conditions, their business being more important and more scattered in the different parts of the world Besides, numerous products have their principal market in Great Britain

I add a few notes of a general character regarding France's colonies

Morocco exports chiefly wool, hides eggs (30,000,000 francs), more than 100 000 tons of barley 30,000 tons of wheat, and 30 000 tons of other grains Agriculture is, with cattle-breeding the basis of its economic future The cultivated area covers more than 6 000,000 acres, and the forests cover about 1,200 000 acres In 1921 wheat extended over 2 000,000 acres, and barley over 2,400 000 acres Fruit-trees are very numerous, numbering 2,500 000 The production of wheat is slightly less than 3 cwt per acre and introduction of machinery will improve this considerably Cattle are numerous—almost 7 000,000 sheep, more than 2,000,000 goats, 1,600,000 oxen, 120,000 pigs, 420,000 asses, 202,000 horses and mules, 100 000 camels In consequence the value of exported hides amounts to 33 000,000 francs

On the coast cork-trees cover 620,000 acres, cedars spread over 750,000 acres, and oaks over 620 000 The principal imports are sugar tea, soap, candles, cotton textiles building materials

Under the wise government of Marshal Lyautey, Morocco has become one of the most opulent of the French colonies It possesses good ports, well placed—*e g* Casablanca, Mazagan Kenitra, Mogador Rabat Railways have a length of 750 miles The budget amounts to 300 millions, and the financial aid of France is no longer necessary

French Western Africa exports chiefly ground-nuts, rubber, palm-oil, gum arabic, hides and leathers, cotton, cocoa, and lumber. Railways extend to 1,500 miles. The Governor-General, M. Merlin, who is now in Paris in order to take over Indo-China in the place of M. Maurice Long, has given to the colony a very strong impulse during the four years of his government which has just come to an end. To-day Western Africa possesses 6,500 miles of roads, 15,000 miles of telegraph-lines, 14 stations of wireless telegraphy, 6 submarine cables, 1 aerial service (Dakar-Bamabo), 19 harbours. M. Merlin has paid great attention to agriculture and there are four big experimental stations for cotton, ground-nuts, palm-trees, and oil-palm trees.

The colony can boast of magnificent forests, which were admired at the last Colonial Exhibition in Marseilles, and they will yield an important trade. This is one of the greatest factors in the future of the colony, together with the cotton, which will grow in abundance in the Nigerian Valley when the irrigation works are completed. The most important products imported are textiles, metallic work, coal, wine, flour, sugar, and preserved meat. Madagascar, the Big Island, has not an economic development to be compared with that of Morocco or Western Africa, but it possesses many riches both on and under ground. There is rice (very small quantities of which are exported), potatoes, beans, Indian corn, sugar-cane, coffee, cocoa, vanilla, clove-trees, ground-nuts, numerous and various fruit-trees in the interior, etc. Silkworm-breeding is developed with success. Forests cover about 30,000,000 acres, and offer mahogany, ebony, etc. Rubber has been tried with success during the last few years. Here also cattle are numerous—8,000,000 oxen and 230,000 sheep.

The most important mineral resources are graphite (the exports of which are larger than those of Ceylon), gold, iron, nickel-ore, copper, lead, and coloured gems.

French Equatorial Africa is not yet ready for a strong economic development: the density of population is too slight.

We will not speak of Algeria and Tunisia, as they are considered as extensions of France, and the French commercial

influence is too preponderating to leave much room for commerce from without

In the Pacific Ocean we should mention New Caledonia, which has a large French colony, and is the first country in the world for the production of nickel-ore. The French Settlements of Oceania possess important mines of phosphate.

Indo-China is the French colony which has the biggest resources and the best economic future. The density of population is 80 per square mile, and in some regions, in the delta of the Red Rivers, for instance, amounts to 1,000. The people are attached to France, and the political tranquillity encourages the greatest hopes the more so as natural riches are plentiful—rice, rubber, tea, coffee, tobacco, stick-lac, cotton, coprah, Indian corn, etc. While the South is chiefly agricultural the North is to enjoy a great industrial future. Big factories already exist in the Tonquin: the 'Société des Ciments Portland de l'Indochine' employs 4,000 workmen and exports 200,000 tons of cement a year; the "Société Cotonnière du Tonkin" employs 3,000 workmen; the 'Distilleries de l'Indochine' are among the most important in the world; the Charbonnages du Tonkin have exported last year about 800,000 tons of anthracite coal. There are also metallic mines (tin-ore, copper, zinc, lead, gold) which were prosperous but the rise in the price has greatly injured them.

By close and fair co-operation as that shown during the war, English and French can be of great use each to the other and also will learn to understand each other better. Considering the enormous work accomplished by France overseas, England should not appreciate only the warlike qualities of France: she should understand that this country possesses other qualities as well. Based on common interests and mutual esteem Anglo-French friendship will not be only a topic for eloquent praise or lamentations, but a living and undeniable reality.

THE CHINESE PSYCHICALLY AND SENTIMENTALLY VIEWED

WE are accustomed to read in the newspapers and elsewhere of China as being the oldest continuous civilization, possessing the oldest literature, and so on, but some polarization of ideas is desirable in order to get a view of the matter in a clearer and, it is hoped, more correct light. Excavations made about a quarter of century ago in the neighbourhood of one of the old dynastic capitals of Central China resulted in the discovery of numerous bone and tortoise-shell inscriptions, which have excited great interest among a limited number of Chinese and Japanese savants, and which have also been painstakingly examined and described during the past five years by Mr Lionel C Hopkins in the *Royal Asiatic Society's Journal* the *New China Review*, and elsewhere. Although some of these inscriptions have specific value in confirming or correcting the officially recorded names of Chinese monarchs who reigned between 1766 and 1112 B C (second hereditary dynasty) and even in suggesting "spiritual or ancestral connection with the first dynasty (2205-1767 B C), it is quite evident that, at the time to which most of these inscriptions refer, which time about corresponds to the reign of Tutankh-Amen in Egypt, Chinese writing was still in a most primitive stage, only capable of conveying short messages of a votive and oracular description, quite inadequate for the purposes of recording exact information, arguing out political matters, and so on. At the same time it has been proved by Chavannes, De Saussure, and others, that the movements of the heavens were accurately recorded, not necessarily in words. And even as to the third hereditary dynasty (1112-828 B C in its semi-historical half), it is only in its decay (827-255 B C) that we

find recorded clear, dated, and exact political information this was subsequent to and probably in consequence of the elaboration of a new form of writing about the middle of the ninth century B C, shortly after which time the imperial power began to decline, precisely in measure as the different vassal states found themselves able to correspond with each other independently of the royal or "papal" thrones, and thus develop their own secular power. Previous to 850 B C the loose relations between the Kings and the vassal states were just as vague in China as were those in early Egypt, or in early Sumer and Accad. Perhaps one of the oldest really literary efforts of Chinese origin we can point to with some certainty is the so-called 'Bushell's Bowl' now in the Victoria and Albert Museum, the authenticity of this priceless relic of antiquity, discussing Chinese events corresponding to the times of Tiglath-Pileser II and Assurbanipal of Assyria was examined at length in the *Asiatic Quarterly Review* for July and October, 1909 and in the *T'oung-Pao* for 1909 No. 4, whilst its own date is quite near 590 B C. About a generation later Confucius was born (551 B C), and he lived through the distressful period when the puppet semi-religious Emperors or Kings were the butt and political plaything of the warring states and their ducal, marchesial, and count-palatine rulers. Already the idea of remodelling China under one mail-fisted *Domus* was in the air. After Confucius' death it was that the peripatetic and the scholarly varieties of the rival politico-religious philosophers first arose, and it will be seen from the literally translated specimen of one of their essays published in the *Dublin Review* for October last, that by the fourth and third centuries before our era Chinese philosophical and literary capacity was quite on a level both in style and in reasoning with that of Greek contemporaries. In art, as in literary capacity, then, the Chinese were not only many centuries but even many a millennium, in arrear of the Egyptians and Babylonians, but their great superiority lies in this, that once they had gained facility in the art of writing and recording they developed the literary and thinking capacity in the highest degree and

speedily assumed a foremost place and a durable place amongst the intellectual nations of the earth. The ignorant Russia of Queen Elizabeth's time is a modern instance of how two or three centuries can evolve a Pushkin, a Lermontoff, a Tolstoy, and a Tchekoff out of mental chaos.

In one sense that of continuity China may lay fair claim, indeed to be the oldest civilization, this cohesiveness is perhaps chiefly owing to its psychic views upon the subject of life and death which have been so enduring that, throughout endless changes of dynasty, native and foreign, the Chinese democracy has, from a family point of view always governed itself, and has in fact proved indestructible, whilst at the same time always showing a readiness to admit on terms of equality other peoples who are content to accept its religious principles. This particular view has been treated of at length in the *Quest* for 1918 January and April numbers, reproducing the substance of two lectures delivered at the School of Oriental Studies in 1917.

China, in its civilized infancy, never troubled itself much about the origin or meaning of life, as to the nature of which our own foremost scientists confess their complete ignorance. What they clearly saw was that each individual *derived* his life from father and mother, while each same individual by co-operation with one of opposite sex *passed on* life in the same way to sons and daughters. The features, the eye's expression, the voice of one generation, reappeared in the next, thus leaving the impression that, though the parent body had perished, the 'soul' was still there, generation by generation, *ad infinitum*. Hence the anxiety for a male heir to keep up the family soul, and in this particular sense China has always been democratic and so to speak 'man to man,' Emperors, Kings, and rulers of all kinds being on precisely the same family footing with the commonest freeman. Thus Chinese social life is indestructible, families unite in clans, clans in villages or communities, or, after some generations, large clans may split up into widely separated branches. About forty years ago I published in one of the Shanghai news-

papers a number of instances called "Chinese Family Life" nearly all these were the histories of my own servants, employés, or their friends, not one but could go back for ten or twelve generations, or, if memory failed, could refer to a family member who kept the record—one literary man could refer back to 2,000 years. Hence, no matter what change of dynasty, no matter whether the ruling house be native, or Hun, Turk, Tibetan, Manchu, or what not, the current of family life flows on *in omne volubile ævum*. This, of course has been, and is, a source of undesirable political weakness as well as of desirable social indestructibility, and partly explains the present confusion, where each man thinks first of his family pile, his cemetery, his local interests. The secret of Manchu success as a dynasty has lain in the absolute fidelity of the Emperors to this family principle as supported by Confucius. 350 years ago the imperial Manchus were illiterate barbarians.

Of course there has always been a popular and superstitious belief not to say literature with fanciful and complicated distinctions between the different souls or spirits connected with the dead—first the Chinese *sing* or natural disposition including the voice and features transmitted unconsciously by the dead and then the *shên* and *kwei* forms of good or evil spirit which hover about the air to remind the living of their duty to the dead. All these excrescences of belief may be compared roughly with the Egyptian idea of a *ka* or genius remaining on earth along with the dead body, whilst the *ba* and the *chu* 'spirits' speed to heaven until wanted at the resurrection but this popular superstition is quite a separate matter from the universal Chinese passion for a male heir to carry on the family continuity which is a silent unspoken force born and bred in the blood, requiring no literature and no discussion.

It may not be generally known that the Chinese have an Akhenaten of their own and a pyramidal tomb too, the contents of which might rival in literary interest though certainly not in art, those now being carted away from the burial-place

of the elusive monarch, afterwards called Tutankh-Amen. But notwithstanding repudiation of ancient beliefs, and the unsavoury reputation left behind him in consequence by the "First Emperor," Destroyer of Literature, in 213 B C, no Chinaman but would be horrified at the suggestion that his tomb should be opened and his 'mummy' taken off to a museum. M. Victor Segalen visited the spot eight years ago. It is a flat pyramid, 150 feet high, constructed in three sloping layers, the outermost and lowest of which is more than 300 yards long on each side. Situated in a mountain valley, it remains intact though in no way cased in by stonework. 700,000 emasculated prisoners were employed on the initial work, and the sarcophagus was let down by the engineers into a very deep hole, then at once filled with molten copper to keep out the ooze and damp. Jewels and rare objects were distributed over neighbouring secret closets, and spring cross-bows were ingeniously concealed in surprise places, so that thieves might inadvertently shoot themselves, concubines who had not borne children were put to death and buried with the Emperor, the various entrances were ingeniously dissimulated, and all the workmen who knew the secrets of them were shut in alive when the work was finished. Several years after this 'First Emperor's' death and the collapse of his dynasty, one of the two popular rivals competing for the imperial succession reproached the other for attempting to desecrate their common enemy's tomb, which, however, remained, and still remains, absolutely intact to this day, at the foot of the Li Shan Hills, twenty miles east of Si-an Fu and south of the River Wei.

The Chinese rulers, whether Kings, Emperors, or what not, have always accepted the principle that they were appointed by Heaven for the good of the people—'the people are the Ruler's Heaven'—none of them figured as bloodthirsty boasters of the Sargon, Sennacherib, or Assurbanipal type, assuming a godlike status, gloating over conquered foes, impaling or flaying alive at public rejoicings, rebellious vassal rulers, transporting populations by the hundred thousand from Syria to Babylonia, and *vice versa*.

True, there were a few bad and cruel Chinese Emperors, as persistently denounced to this day by philosophers of all hues, but they always lost their thrones and sometimes their family dynasties too yet in this last case provision was always made by the succeeding dynasty to keep up the predecessor's family continuity and provide for the hereditary sacrifices from son to father in a word, the Chinese, whatever their faults, have always been intensely human, tolerant, and even genial. There seems to be—though I have no right to guess at it—no touching sentiment, no real poetry, in Egyptian or Babylonian literature, whereas many of the 300 odd Odes (as selected from the ancient 3,000 by Confucius) are exceedingly tender and touching, it was the custom at all the vassal courts even before Confucius' time, to sling an Ode at a diplomatic rival by way of clinching earnest arguments. The successful one of the two rival competitors for the imperial throne above referred to having in 206 B.C. established a new dynasty was at first disposed to flout Confucianism saying 'I won the Empire on horseback not through Odes and philosophers.' His sagacious minister said 'Yes, sir, but it is quite another thing to *maintain* it on horseback and decent Confucianism thus gradually won its way back. One of his lineal successors had occasion for political purposes to give a princess in marriage to a Tartar ruler in the West after experience of tent life, she composed and sent to the capital the following poem, which admits of translation line for line, metre for metre rhyme for rhyme and almost word for word into English

My folk have wedded me
Here toward
The ends of the world to a
Tartar lord.
A tent is my mansion and
Felt its wall
Milk to drink, flesh to eat
This is all
Ah! but 'tis sad to dwell
Here alone
Would I were winged to fly
Back to home!

This celebrated poem, which brought tears from the Emperor's eyes, is 2,100 years old, and is to this day equally touching as read in all dialects, however incomprehensible to each other the speakers may be. The Japanese and Coreans can equally *understand* it but, as they are both totally ignorant of 'tones, they cannot adequately *appreciate* it. On the other hand, the Annamese, who possess tones very much like the Cantonese, *can* "take it all in."

THE NEAR EASTERN RIDDLE

III THE AFTERMATH OF LAUSANNE

By W E D ALLEN, FRGS

THE Lausanne Conference may be regarded as the first Conference of negotiators, who were also experts, since the European War. It was a reaction to the old forms condemned by the democratic politicians, who had seen in trained diplomatic servants cold and logical critics of their short cuts to Utopia. It was what the Americans would call "a return to normalcy."

The person of Lord Curzon served to recall the dignity of Victorian conferences, while Chicherin, a graduate of Tsarist diplomacy came not as the representative of the 'world in chains,' but as the envoy of Imperial Russia, with his eyes on the Straits and his hands stretching over Kars and the Dnieper. Here again, were the old stakes—the body of Turkey, and the control of the Straits. Here were the old players—Britain, with her vital chain of Empire to be guarded, Russia with her economic need, France, with her cultural and commercial interests. And here were the old pawns—truculent Turks, martyred Armenians, discomfited Greeks, hopeful Bulgars, and others interested.

Behind it all was neither the goodwill nor the love of peace which popular writers tell us rests within the heart of all peoples, ready to blossom into the splendid plant of international love whenever the bad gardeners of diplomacy may be replaced by the saintly husbandmen who are bred

of Trades Unions. Behind it were tough, hard bitten fellows, cantoned on the Polish frontier, and steel ships in the Sea of Marmora, Aralov, with his gold-bags, and the sturdy peasant deputies and hectoring journalists of Angora, commis-voyageurs in Stambul and Smyrna among the frock coated sort of Turk who, living in sight of ships and railway-stations, prefers a loan to a Jihad

The months of haggling at Lausanne has at least served to clarify the political mind to distinguish in clear cut lines all the conflicting tendencies and interests whose point of convergence is Constantinople. The anomalous situation created by the Russian Civil War, the Turko-Greek War, and the amateurish caperings of democratic diplomacy, was terminated at Lausanne, and we are now in a position, after nine years, to give a careful consideration to the probabilities of the immediate future, in the process of which we cannot afford to ignore those very definite historical causes and effects which combined to form our traditional policy before the war

It must be recalled that in the Mediterranean our policy has been not that of Rome, but of Venice, not to conquer and administer, but to hold strategic points, and to favour such political developments as may serve the interests of the commerce on which the prosperity and power of this country is eventually dependent. We are a trading and a colonizing nation, and it is not to our interest to hold in permanence any country which is not suitable to the colonization of our kind. In such countries we have made, and we may make, a temporary occupation in the interests of our trade, in order to suppress anarchy and to establish a suitable and efficient administration. Such a policy towards countries which are unsuitable for colonization must apply to Egypt, Palestine, Iraq, and Persia. The future of our race lies in Canada, Australia, and parts of Africa, but the future of our trade lies all over the world. Hence, in Europe and Asia we must follow a policy which favours the development of conditions suitable to

the extension of trade, wherefore we hold in permanence Gibraltar, Malta, and Aden, and make temporary occupation of Egypt, Iraq, or elsewhere. A corollary to this policy is to prevent the establishment in countries politically weak of Powers whose future actions or administration might be considered prejudicial to our commercial interests. Thus, we could never have permitted the predominance of France in Spain or Italy, and the danger of such predominance, which has occurred periodically—notably during the régimes of the two Napoleons—has justified our retention of Gibraltar and Malta. Again, the establishment of Russia in the Caucasus has prevented the development of those rich regions by Britain or by any of the other active commercial nations. And it has been our consistent policy to prevent the extension of the political influence of Russia, either across the Balkans to the Mediterranean, or across Turkey and Persia to the Indian Ocean.

A certain politician recently made an egregious observation—palatable enough to the disheartened income-tax paying elector—to the effect that the Straits were of no more interest to us than “a canal in the moon.”

It is really unnecessary to remark in the *ASIATIC REVIEW* that the free access of the British Fleet to the Black Sea is one of the most valuable results of the war, and that to relinquish such an advantage would be to indicate our debility as an Imperial race.

During the recent war the failure of the British to obtain control of the Straits went near to proving fatal. The formidable strength of the “Hamburg-Herat” bastion, established by the Germans, is a common-place.

In the present state of Europe it is no exaggeration to state that the importance of the Straits is even greater. The creation, to coin another alliteration, of a hostile Vienna Vladivostock belt, can only be permanently prevented by British naval control of, or at least access to the Black Sea and the Baltic. The political independence of

Poland and Rumania is absolutely dependent on the ability of the British Fleet to enter the Black Sea. There are probably few British officials or travellers who would wax enthusiastic on the subject of either of these two States, but they could not but agree that if either Poland or Rumania were to be weakened or dismembered, the stability of the whole of Central Europe would be jeopardized.

The average thinking Englishman is inclined to reconciliation with Germany, he is anxious for the restoration of the prosperity and the strength of Russia, and he certainly does not regard with equanimity any policy which is directed towards the political or economic enslavement of Central and Eastern Europe. But at the same time, few can be blind to the dangers of a policy of what Lord Curzon has so aptly described as 'skedaddle,' that would allow Russia to close the Black Sea and to consummate with Germany an alliance, directed eventually to the control of the Baltic, and to the formation of a military *bloc*, far more formidable than *Mittel Europa* in that it would stretch from the Rhine to the Pacific and might prove particularly attractive to the military party which essays to control the foreign policy of Japan.

The recognition of the freedom of the Straits, implying the right of access of international fleets to the Black Sea with practical guarantees for the secure maintenance of this freedom was the cardinal achievement at Lausanne. Chicherin invoked all the well-worn tags of ultra democratic principle against it, while Aralov's golden arguments and the hysterics of a section of our Press went far to incite the Turks to a renewal of futile hostilities, but the issue could never be in real doubt while the steel ships lay in the Marmora.

The freedom of the Straits, besides being an essential of British world policy, has established on a firm basis the independence not only of Poland, Rumania, and Bulgaria, but of all the Eastern European States from Finland to

Hungary and Jugoslavia, who may be affected by the actions and reactions of Russia. Any hostile movement of Russia from the Baltic to the Dnieper, to the Caucasus and Central Asia, may be checked by a threat against the great Donetz coal basin and the communications of Russia with Trans Caucasia.

British policy has, and can have, no hostile motives against Russian territory, but it would be fatal to the safety not only of Central Europe, but of the Balkans and of Turkey, if the Black Sea were to become a *mare clausum* for the Russians, and Russia were not to be susceptible to naval pressure. Europe cannot afford to trust a great nation of peasant soldiers, dominated by a bankrupt bureaucracy of fanatical experimentalists and ambitious officers.

Two minor questions affecting Russian and Turkish relations and international honour received a less satisfactory solution. The idea of an independent Armenia was definitely abandoned, after a final effort by Lord Curzon to obtain a national home for the Armenians within Turkish territory. The remnant of these unfortunate people—the victims alike of Mr Wilson's idealism, of Mr Venizelos' ambition, and of Mr Lloyd George's map-making—have apparently resigned themselves to absorption in the respective States in which they find themselves. The Armenians of the Caucasus, who, in spite of many vicissitudes, have almost consistently pursued a policy of loyalty to Russia, have now constituted themselves according to recent information, the bulwark of Soviet rule in Trans Caucasia. And their compatriots in Eastern Turkey are denouncing the West and all its works, while their more thoughtful leaders are seeking a means of permanent understanding with the Turks.

The case of the Georgians is very different. Forming a comparatively homogeneous *bloc* of nearly three million souls, they have, on the west, an extensive coast along the Black Sea, and on the south a common frontier with

Turkey, while the Mussulman Georgians of the Adjar mountains form a valuable cultural link between their Christian compatriots and Islam. The Georgians received *de jure* recognition both from the Powers and from Russia, and they profess to regard the present Russian occupation as temporary. It is believed that even the Georgian Bolsheviks are evincing opposition to the successive measures which the Russian authorities are taking to abolish their nominally independent status as a Soviet Republic federated to Russia. It is probable that, should the Turks at a later date attempt to exploit their national and religious connections and influence in the Eastern Caucasus, they would find in the Georgians a useful, although an independent, ally. At Lausanne, a Georgian Bolshevik was attached to the Soviet Delegation, and Georgia received recognition as a Black Sea riverain State federated to Russia, while an anomalous phrase in one of the clauses of the proposed treaty might be construed as a provision for her future independence.

The failure to accord to Bulgaria a port at Dede Agatch, and at least a part of Western Thrace must be regarded as the most unsatisfactory issue of the Conference. Bulgaria is entitled to consideration in this respect both under the Treaty of Neuilly and on geographical and moral grounds. The latter are particularly urgent, and apart from other reasons it is to be regretted that Bulgaria has not received some recognition of her strictly honourable attitude since the Armistice. The Entente has generally followed a policy towards their smaller allies in the Balkans of reward for services rendered, and if Bulgaria caused grave danger in 1916 her neutrality during the Greek débacle of last year certainly averted grave danger from the whole of South-Eastern Europe. The opposition of Greece to concessions to Bulgaria is comprehensible, since such concessions would have been at the expense of that country, but if opposition came also from Rumania and Jugoslavia it was most ungenerous.

The Turks came to the Conference with the intention of making peace. It was a vital necessity to them, for they are, as their desperate fight for Smyrna showed them to be, a nation dependent on the Mediterranean trade. With the Caucasus a land of famine, and Persia destitute, they must now turn almost entirely to the Mediterranean and to the Arab lands under the control of England and France for a market for their goods, and it is in London and Paris that they must seek the capital necessary to their proclaimed renaissance. They intended to make peace, though they might threaten the "Capitalist West" with all the wrath of Islam, for the edification of the Cossacks massed at Alexandropol, and of the great band of chatterers who croak of the Sakaria in every bazaar from Sarajevo to Singapore. The sort of men who can translate Mr J. M. Keynes into Turkish do not really dream that they can burn the old road of Suleiman to Vienna. They are practical men, who if they dream historically, do not hie further back than Nuri's march to Baku five short years ago.

They knew that we would give much for the freedom of the Straits. We offered them Eastern Thrace and the Armenian national home and many smaller things till they wanted the Capitulations, Suleiman's old condescension to the most Christian king Francis and an evil cause of perturbing Turkey ever since. The Turks are right for any nation with respect for and faith in themselves not to say a nation of trusty soldiers could not harbour and cherish a close corporation of foreigners in their midst. The abrogation of the Capitulations will cause a great degree of hardship in many individual cases, but modern democracies are unthoughtful of the individual, and the lot of the privileged Pera merchants will be still preferable to that of Saxon farmers out of County Cork. If there is a little discomfort and anxiety, big profits go with the evil, and any Englishman who has seen some of the non-descript racial products who thrive and trade under the

shadow of the British Embassy may be inclined, with an easy mind, to consign them to the comfortable processes of the Sheriat.

The conclusion of peace with Turkey cannot be long delayed and with it the greatest obstacle to a pacification throughout the Near East will have been overcome. The outstanding question of Mosul may be settled if we can understand that the Turks merely want, after the manner of some of our good allies, to share in the wealth the prospect of which has been so glibly prophesied.

Peace with Turkey, as war with Turkey will react upon all the neighbouring lands and if we refrain from pressing with too great enthusiasm upon these peoples—Turks, or Arabs, or Persians—such blessings as broad-casting and Proportional Representation, and from introducing unwelcome colonists out of the Warsaw ghettos, we may regain some of that respect and goodwill which we used to enjoy. In these days, when creeds become stunts and “tags” pass for ideas, it is good that Islam remains to remind us that man has faith and dignity.

KING'S MESSAGE TO MUSLIM WORLD

BRITAIN'S FRIENDSHIP

THE following messages have been exchanged between the King and the Amir of Afghanistan on the occasion of the inauguration of telegraphic communication between that country and Great Britain

"On the occasion of the inauguration of telegraphic communication between Afghanistan and Great Britain, I have the honour to express my sincere gratitude to your Imperial Majesty for the facilities rendered by the officials of your Majesty's Government in the progress of the work. I hope the installation of this telegraphic communication will be the key to the good relations between Afghanistan and Great Britain. I do hope that the British Imperial Government will in view of her obligations towards humanity and civilization, consider the miseries and misfortunes of the Muslims as a matter of great importance, in order that the friendly relations which existed for a long time between Great Britain and the whole Muslim world might be re established

(Signed) AMANULLAH, Amir of Afghanistan

The reply of the King was as follows

I have received with great satisfaction your Majesty's greetings on the occasion of the inauguration of telegraphic communication between Afghanistan and Great Britain, and I reciprocate the wish that this communication may be conducive to the further improvement of the good relations between our two countries. Your Majesty refers to the friendly relations which long existed between Great Britain and the whole Muslim world. I greatly regret that the events of the war should have given rise to a belief that Great Britain no longer desires such relations. There is no foundation for that belief. It is the desire of myself and my Government, as far as possible to live in peaceful and neighbourly co operation with the Muslim world, and your Majesty may be assured, that wherever men are seeking justice and peace Great Britain welcomes their friendship. It is in this spirit that I earnestly hope for a speedy settlement in the Near East."

PROCEEDINGS OF THE EAST INDIA ASSOCIATION

THE PRESENT AND FUTURE MANAGEMENT OF INDIAN RAILWAYS

By SIR ROBERT W. GILLAN K.C.S.I.

THE subject on which I wish to speak to you to-day is the present and future management of Indian railways. The contract of the East Indian Railway expired in 1920, and there was a great deal of discussion what should be done then. In the event the contract was extended, but only for five years. The contract of the Great Indian Peninsula Railway also expires in 1925, and in view of the important decision that has to be taken, involving the whole future of Indian railways, before that date, the Government appointed a Committee, under the chairmanship of Sir William Acworth, to advise it. You will see, therefore, that the discussion of the subject is opportune.

I must begin with a brief description of the present position. The trunk systems of Indian railways were originally constructed by private Companies, under guarantees of a certain return on the capital invested. The contracts of the Secretary of State with these Companies gave him after specified periods, an option to purchase. This option he in all cases exercised, so that the railways are now owned by the State, but the systems were leased for management to Companies, who at the same time provided a certain amount of capital with a guarantee again though a much lower one, and an arrangement for division of profits over and above the minimum guaranteed and after payment of prior charges between the Company and the Secretary of State. The proportion of capital

subscribed by the Companies to the capital of the Secretary of State is very small, in the case of the G I P Railway, for instance, one-nineteenth, but I deprecate too much being made of this circumstance. A larger body of shareholders would, no doubt, be more powerful, but even £1,500,000 is not an insignificant amount for a commercial Company to hold, and the interest of the individual shareholders in the prosperity of the undertaking would be no greater if the capital were multiplied ten or twenty times.

The question to be answered when the existing contracts expire is whether the Government should leave the railways with Companies or assume management itself. The issue then appears to be the old and familiar one between State and Company management, and on this issue it seems to me that happily there is little to be said. Nationalization was a great deal talked about not long ago, and it might even have been said that the Government of the day was committed to it—if it was ever committed to anything. It has gone back in favour, however, till now it is the creed only of a particular party. The people at large in England seem to have discarded the idea, and I understand the Italians are turning out the State management under which they have long suffered. Apart also from such movements of mass opinion, which may be perfectly sound, but are not reasoned, it is unusual now, I think, to find among students of the subject anyone who is prepared to defend nationalization. I hope, therefore, I may be allowed to assume that for the purposes of this discussion it is unnecessary for me to labour this issue. In India I know that such an assumption would be unjustified. It is true that men of the calibre of Sir Dinshaw Wacha, Sir Rajendra Nath Mookerjee, and Sir Maneckbhoy Dadabhoy can be quoted on the Company side, so that the weight of opinion is far from being all in the one scale, but the great majority of Indian public men are strong supporters of State management. If I do not attempt now to combat their view, it is not that I attach little weight to

their opinion, indeed, it is Indian opinion that is going to decide this question, but the occasion is not opportune. At the same time, I should like to give you some indication of the Indian point of view. I remember for instance, a speech made in the Imperial Council by Sir Surendra Nath Banerjee. "The Companies," he said, "want to make money. Government has a totally different object. Finance is a consideration occupying an inferior status as compared with public comfort and convenience. When the conflict is between dividend and public convenience, I am certain Government will give preference to the latter. State management will mean management of the railways by the people and through the representatives of the people. It means a management more responsible to public opinion than Company management can ever be—a management which pays greater attention to the requirements of the people than to the requirements of £ s d. This seems a very clear indication of what is likely to happen in India under State management. Similarly, Pandit Madan Mohan Malaviya referred to Companies as solely concerned in making as much profit out of the business as they could, and said that under State management there would be no mercenary interests left which would rejoice in earning large profits at the expense of the general public. The Indian view, in fact, is largely influenced by the ideal of public service, and it is an ideal that has many attractions. I think, however, that the view expressed about profit making is wrong. Profit making may not be a very exalted motive, but it is a motive that can satisfy itself, as it happens, only by serving others, and even in the case of railways, which are semi-monopolistic, large dividends cannot be earned except by rendering large public services. While it is easy also to understand the attitude of men who are carried away by the enthusiasm of an ideal, it is well to check ideals by experience and see how they have worked in practice. In the history of State and Company enterprise in the railway sphere a large mass of experience is

available which is highly instructive, and if Indian publicists were to study this history, as Sir Dinshaw Wacha, for example, has done for many years—I may mention his letter to the Acworth Committee as giving some of his results in what appears to me to be a quite admirable form—I cannot help thinking that they would be forced to recognize the grave dangers of the policy which they advocate

There are those, however, who contend that the issue I began by raising between State and Company management is not in India relevant. The advantages of Company management, they say, are admitted, but Company management as it exists in India has no reality, and cannot, therefore, claim those advantages. This view raises the question of the merits and demerits of the Indian system

On this question the Acworth Committee were sharply divided. Sir William Acworth and four members condemn the system altogether. Their view is that the Companies are hopelessly entangled in a web of Government regulations and restrictions. They have no initiative, they do not and cannot manage their undertakings, it is only, in fact, in name that the management has been entrusted to them. The Government, on the other hand, has cut itself off from management, it also has no initiative. It only controls and restrains. In a word, the system is described as essentially unworkable. The picture here presented would seem in itself to be somewhat highly coloured, for if neither the Companies manage the lines nor Government who then does manage? And if the system is essentially unworkable, how is it that any results at all have been achieved in railway working? This picture is disowned also by the other half of the Committee, which included three men with long experience of Indian railways, on the State as well as on the Company side, and, if I may add my mite of experience I may say that after spending some years on the Railway Board I fail to recognize it. It is clear, in fact, that there is a substantial element of private

enterprise in Indian Companies—not so large certainly as it would be in Companies independent of Government—but still substantial, and if we believe in the advantages of private enterprise our endeavour should be not to stifle but to enlarge this element. I myself would go further and say that the manner in which the Indian system combines the essential factors of Government control and private enterprise has much in its favour. Sir William Acworth has a great deal to say about the control by Government which he regards as excessive, but the more common criticism in India has been that it is inadequate. At any rate, control there must be of railways under any system, and there is no reason why it should not be relaxed or strengthened as may be necessary. We need not condemn the system for faults that are remediable, but we have to consider, as Sir Henry Burt and others pointed out, what defects are inherent.

Money, we are told is the root of all evil, and it is so on Indian railways. For their finance Indian Companies are in the hands of Government, and it is true that Government can destroy their initiative by refusing them funds. If we consider the financial policy of Government in the past, here are two examples. A Committee under Lord Inchcape was appointed to advise the India Office as to the best way of raising the money required for Indian railways. It was a strong financial Committee and it recommended among other things that the Companies should be allowed to raise additional share capital. This, they thought, would be an advantageous alternative to Government loans and debentures, and, while enlarging the interest of the Companies, would increase the total amount of money available. On another occasion the South Indian Railway put forward a proposal for raising money without a guarantee from Government. But whatever their theory may be, Government do not always act as if they wished to foster private enterprise, they do not seem to like sharing profits with other people, and they have never acted on the recom-

commendation of the Inchcape Committee, while they refused the application of the S I R. I may add that the Companies have never been allowed to raise a rupee of capital in India. That fact is more relevant in another connection, but you will easily understand that in consequence they are looked on as strangers and foreigners, and that Indian opinion, while it has nothing to say apparently against the small indigenous Companies which have financed what are called feeder lines, is all for the State management of these larger Companies.

Admitting, then, that the trouble is finance, what is the remedy?

So long as Government has an immense financial interest in the railways, it must be allowed to control the financial policy, and if this control is evil, the only complete remedy is for the Government to sell out its interest. I do not know why that should be an impracticable operation, but it is not practical politics.

Sir William Acworth's remedy is State management. That seems in the first place a counsel of despair, for, however bad things may be under the present system, they would only be made worse by the elimination of the Companies. But there is a further objection. To remove the financial difficulties which have been felt in the past, Sir William Acworth proposed the separation of the railway from the general Budget of the Government, and to this proposal he attached so much importance that he made it a condition precedent to the adoption of State management. But the condition has already been considered and rejected by the Government, so that the scheme of the Committee is left in the air. Besides this, the proposal seems to lead to a dilemma. For if the State has the ultimate decision, as it seems to me it must have, regarding railway funds, the proposal is unsubstantial, and if the intention is somehow to convey away railway moneys beyond the power of interference by the Government, the scheme cannot be described as State management. You have, in fact, merely substi-

tuted a Railway Department for a Railway Company and given it the very independence the want of which is the gravamen of the charge against the present system of Company management.

Then there is the scheme propounded by that half of the Acworth Committee who were opposed to State management. They were for the continuance of Company management, but proposed a new constitution for the Companies. Taking the case of the E I R as an example, they suggested that the capital of the new Company should be formed, first of a sum, say 130 crores representing the value of the undertaking, which would be the Government share secondly, new authorized share capital of, say, 50 crores, of which perhaps half might be called up in the first few years, a certain return to be guaranteed on the public share capital and after credit of a like return to Government, the surplus profits to be divided in proportion to the amounts of State and private capital in the concern. On the Board of Management there were to be five Government directors, five elected by the shareholders, the Chairman, nominated by the Government, to have a casting vote. This scheme gives effect to an idea that has had considerable vogue, namely that the interests of the Government in railways should be given effect to by treating it as capital in a Company jointly with further capital subscribed by the public. That idea, however seems to me a mistaken one. No advantage, so far, as I can see is gained over the present system, and, at the same time, the real Company element is swamped by the Government element, so that the result is really State management in disguise.

This survey of the suggestions that have been made may bring us to a conclusion on this part of the subject. The real drawback in the present system is its liability to financial derangements if Government fails of wisdom in its powers of financial control. But the only method by which this evil could be eradicated—that is, the sale by Government of its interest in the railways—is impossible, the other plans

suggested only make it worse. The wise course, therefore, I submit, is to continue in essentials the present system. That this system is capable of improvement is certain. The Companies ought to have greater financial independence, and there is no reason why it should not be given them. In nine cases out of ten it is better to work for improvements rather than for revolutionary changes, and in the present case the revolution proposed—that is, the change to State management—is not merely a step untried and of uncertain event, but has been proved time and again to be destructive.

One further question remains—it is the last. If there are to be Companies, should they be English Companies as at present, or Indian? On this question the arguments most commonly adduced are directed to the character of the Boards that would be available for the direction of the Companies in either country. On the one hand we are given many reasons for supposing that English Boards are indispensable, on the other hand, statistics are produced which establish more firmly the longevity of persons appointed to these Boards than their capacity. It is urged that men in India are always changing and that Boards in that country could never be satisfactory, equally it is urged that there are large concerns already managed by Indian Boards, and that there is no reason why railways should not be so managed. I doubt if the setting out of considerations of this kind is necessary or will even be found helpful to a decision. What I would say is this. It was right and proper in the past to have English Companies. It would be more natural now to have Indian Companies, and I should be glad to see their formation. But there may be difficulties. Sir William Acworth, for instance, and those who shared his views, give it as their clear opinion that if the E I R and G I P Railway were handed over to the management of Indian domiciled Companies, the effect would be practically to close the London market against them. I cannot say if this opinion is correct, but if some may consider that Indian railways can now get

on without English capital, the result, I think, would be unfortunate. It does not seem to me, however, that the point need be determined now, or even that it could be. I am assuming now, of course, that the formation of a Company has been decided on but if so a good deal must be left to be settled according to the personnel of those who promote the Company, and of the circumstances at the time of its promotion, the promoters would naturally make their plans in such a way as would best facilitate and secure the supply of the capital required, and would consider the question of the domicile of the Company from that practical point of view. Similarly as regards the Board of Directors. It seems often to be assumed that in the case of an Indian Company all the directors would necessarily have to be resident in India but if I mistake not there are Boards of Indian Companies already which include directors resident in England, and the arrangement works quite satisfactorily. Here, again, what the promoters would have to consider would be how to get together a Board that would command the greatest amount of confidence of investors both in England and India, and I doubt whether in practice difficulties would arise of the kind that have been anticipated. The main point that emerges is this. There are those who say 'If you can have an Indian Company well and good, if not, we must have State management.' That attitude seems to me wrong. I put the necessity of having a Company first. I should like it to be an Indian Company at once but I would not insist on it, the Indian Company will come soon enough, if you have not in the meantime made it impossible by adopting State management. If you are in a great hurry, you will spoil everything; if you can afford to wait a little, you will not have to wait long.

The subject is a very large one and where I have mentioned one point I have of necessity omitted a dozen. One general remark I still wish to make in conclusion. I began by saying that on the straight issue between State management and private enterprise most people would be found to

favour private enterprise. But if many subscribe to this principle some do so wholeheartedly, others, and perhaps the majority, are only lukewarm, and the difference in the degree of conviction with which the principle is held determines one's whole attitude to the questions I have discussed. If you think that, after all, the advantages of Company management are not very great, you will easily accept alternatives. If you are persuaded, on the other hand, of the grave dangers of State management, you will hold that the maintenance of private enterprise is the vital factor and should be made the predominant purpose of railway policy. For myself, I think that the adoption of State management would prove the ruin of Indian railways, and I hope that all who are interested in the well-being of India, which is so closely bound up with its railways, will be aroused to the perils of that course.

DISCUSSION ON THE FOREGOING PAPER

A MEETING of the East India Association was held on Monday, February 12, 1923 at the Caxton Hall Westminster S.W., at which a paper was read by Sir Robert W Gillan, K.C.S.I., entitled, 'The Present and Future Management of Indian Railways.' In the absence of Sir John Prescott Hewett, M.P., the chair was occupied by Sir Michael O Dwyer.

The following ladies and gentlemen, amongst others, were present: The Right Hon Lord Pentland, G.C.S.I., G.C.I.E., Colonel Sir Charles E Yate, Bart., C.S.I., C.M.G. M.P., Sir Thomas W Holderness, Bart., G.C.B., K.C.S.I., General Sir Edmund Barrow, G.C.B., G.C.S.I., Sir Lionel Davidson K.C.S.I., Sir Lionel Jacob, K.C.S.I., Sir Patrick J Fagan, K.C.I.E., C.S.I., Sir Francis Spring, K.C.L.E., Sir Charles Mules C.S.I., Sir George Sutherland, Sir William Ovens Clark, Colonel M W Douglas, C.S.I., C.I.E., Mr J Hope Simpson, C.I.E., M.P., Mr A Porteous, C.I.E., Mr C E Buckland, C.I.E., Mr F H Brown, C.I.E., Colonel S H Godfrey, C.I.E., and Mrs Godfrey, Mr J Godfrey, Mr E Dutt, Miss Scatcherd, Mr W Coldstream K.I.H., Colonel F S Terry, Mr A Sabonadiere, Mr F C Channing, Mr J E Dallas, Mr E A Neville, Mr C E Young, Mr H M Jagtiani, Mr L Mazumdar, Mr E P Golding, Mr C P Whitcombe, Mr and Mrs G M Chesney, Mr Cyril Hitchcock, Mr M W Fuzell, Mrs White, Miss Beadon, Mr H B Huddleston, Mr F G Heaven, Mr C W Walsh, Mr G K Wasey, Mr L G Bouchier, Mr A V Venables, Mr Bricknell, Mr Gerrans, Mr G Deuchars, Mr W Stantiall, Captain Rolleston, Mr F Adams, Mr F J P Richter, Mr Blake, Mr Murhead, and Mr Stanley P Rice, Hon Secretary.

The SECRETARY announced that Sir John Hewett was unfortunately, unable to take the chair owing to a severe chill which necessitated his taking a few days in the country, but in his absence Sir Michael O Dwyer had kindly undertaken to preside.

The CHAIRMAN Ladies and Gentlemen, I am afraid I am a very unworthy substitute for Sir John Hewett. In addition to his general knowledge of Indian administration for many years he was Member for Commerce and Industry in the Government of India, and had an inner knowledge of the working of the railways. I can claim no such experience. That does not matter very much, however, as we have a lecturer who is peculiarly qualified to speak on the subject. For Sir Robert Gillan was not only for many years a distinguished administrator in the Provinces, but was later President of the Railway Board, and as such had an intimate knowledge of the working of the railways. The great experience gained in that capacity, and afterwards as a director of one of the great com-

panies, will enable him to enlighten us this afternoon in connection with the subject we are here to discuss—the Present and Future Management of Indian Railways. I will therefore not stand further between you and Sir Robert Gillan's address.

The Lecture was then read.

MISS SCATCHERD said that before reading one or two comments made by Dr. Pollen she wished to thank the Lecturer for having put so highly technical a subject in such an interesting way that it enabled an outsider easily to understand it, and was glad to see so much interest shown in this live subject by those present. No one who travelled much could fail to appreciate the enormous importance of easy and cheap means of transit. Dr. Pollen, in his concluding remarks, said "It has always seemed to me that the proper policy for the State in India was to build railways, and then hand them on to management by private or public companies, the principle being that Government should be content with a clear profit of, say, 3 per cent on its expenditure, and should devote all further profits to the improvement of the system, the development of its traffic and its transport facilities, and other improvements, and that Government should actively co-operate with the companies in these matters, and should combine active control with free private enterprise. I think this is something like Sir Robert's own view also! The wisest course undoubtedly, is to continue in all essentials the present system, while granting the companies greater financial independence. I further think with Sir Robert that Indian companies, no matter what the difficulties may be, should forthwith be formed and it ought not to be necessary that all the directors should be resident in India, provided these directors are the right men in the right place and bent on improving the communications of the country generally. But, be that as it may, for the purpose of over-seeing and caring for the communications of the country generally, a higher and upper Board should be duly instituted, including members of well known ability and influence, whose approval would help on the development of India in all preliminary stages. You will see that I believe in the maintenance of private enterprise and consider that the good of India should be the predominant purpose of railway policy.

Mr. NEVILLE said he was sorry his Chairman, Sir Henry Burt, had not been able to be present. Sir Henry Burt desired him to express his regret that owing to illness he was unable to come, but he was quite sure if he had been present he would have most cordially supported what had been so ably put forward by the Lecturer.

With regard to the lecture, he would first of all like to mention that the Bengal and North Western Railway was perhaps the only big railway in India constructed by purely private enterprise, and he would like it to be recorded that it quotes the lowest rates and fares in India. (Hear, hear.) His old chief, Mr. Alex. Izat, under whom he had served since 1882, was a man who preferred to earn 1,000 rupees on 1,000 tons at a cheap rate, than the same amount on 500 tons carried at higher rates. The whole principle on which Mr. Izat worked was to quote as low rates as possible, so as to encourage and develop traffic for the benefit of the public, and in

that way to build up, as he had done, a magnificent enterprise for his shareholders. He always had the consideration of the public at heart, and by doing so he had benefited the interests of India far and away more than any other railway man he had known in India.

SIR FRANCIS SPRING said that if he had had an opportunity of reading the paper in advance he might have joined more usefully in the discussion of it. He based his claim to give an opinion in the matter on the fact that, although his official connection with the Indian State Railway Services terminated nineteen years ago, he had already, when retiring had thirty years' experience of the working of the railway net work, and had been associated with its growth from 5,000 to 35,000 miles. During nearly half of the thirty years it had fallen to his lot to give voice to the Government control of the policies of most of the company-worked, State-owned railways. Later again, while Engineer Chairman with the Madras Port Trust, he had been for fifteen years closely associated with two of the company worked lines which ran into his harbour premises. He thought, therefore that he could claim to be not too far out of touch with the subject of the paper and he desired, in the light of his experience, to express himself strongly in favour of the management by working companies of the State-owned railways of India.

There were, he thought, special reasons why the North Western Railway of India should continue, as heretofore to be worked directly by the State. For not only is it of strategic value in connection with frontier defence, but it, as well as such other lines as may be retained under direct State management will have to serve as a training ground for the State officials who will have to enforce on the working companies compliance with Government requirements in matters of traffic, of comfort and of safety in which the interests of the public and of the companies may not always be quite concurrent. For the control over such matters as must be controlled, by such a Board over which Sir Robert Gillan lately presided, can only be efficiently exercised if his colleagues as well as his inspectors, whether engineers or traffic officers, have gained adequate experience in practical railway business. Such experience, on broad enough lines for general control purposes, can best be got if a certain mileage—say, three or four thousand—of railway is retained under direct State management, as is perhaps desirable in the case of the strategic net work.

Mr Neville had mentioned with due appreciation the name of his former chief, the late Mr Alexander Izat. The control of working companies would be easier if there were more men of Mr Izat's mentality at the head of the companies' staffs. But the chief safeguard in such matters as the working of a State owned line by what one might call a "farmer company" for a term of years—a company whose shareholders' interests in the success of the business "farmed" amounted perhaps to only one tenth to one twentieth of its value—lay, he thought, in so devising the working contracts that the interests of the State owners and those of the 'farmer workers' are concurrent so far as practical, instead of divergent. In some of the older contracts the two interests sometimes diverged acutely. The new contracts, as the result of experience in the

working of the older ones, have been drawn on better lines, and it will usually be found that the working policy which is good for the working companies shareholders is good also for the owning taxpayer. This state of things, needless to say, facilitates Government control.

In any discussion like the present one on Indian Railway Policy, the effect of such policy on the raising of capital must ever be borne in mind. The London money market being the largest and cheapest in the world, it would be folly to adopt a policy that afterwards might be found to have the effect of making English capitalists, brokers, and promoters shy of Indian railway investments. The location of Boards of Directors in India instead of in London would, he thought, be likely to have this effect and, in his opinion, the partial loss of London capital raising facilities would be unlikely to be compensated for by rupee investors in a market opened in India—at least to anything like adequate extent.

Mrs WHITE asked if any question had arisen in India as to the grouping of railways, such as we now had in operation in this country? Such a system, in her opinion, would result in a great saving of directors' fees, and also would be of great benefit to the travelling public, owing to the reduction of working expenses, resulting in cheaper means of travel. England had been apparently the leaders in regard to grouping, but she had not yet heard of the grouping system being applied in India.

SIR CHARLES YATE said that he had been waiting to hear some opposition to the views of the Lecturer, but there had not been a single advocate of State management of railways.

He entirely endorsed what had been said by the Lecturer. He, personally, had taken a good deal of interest in the question and had put a question to the Secretary of State for India as to how many Chambers of Commerce in India were in favour of the administration of the East Indian and Great Indian Peninsular Railways being entrusted to company management and against their transfer to State management. From the reply he had recently received it appeared that of all the Chambers of Commerce in India—the Madras Chamber of Commerce, the Bombay Chamber of Commerce, the Bengal Chamber of Commerce, the Upper India Chamber of Commerce, the Cawnpore, the Burmah, and the Chittagong Chambers of Commerce—all advocated company management, and that the only Chamber not in favour of company management was the Karachi Chamber of Commerce.

SIR FRANCIS SPRING said those were practically all European Chambers of Commerce.

SIR CHARLES YATE agreed, but said they had all Indian members. He was more specially concerned with the real Chambers of Commerce in all the great trading centres, and as regards Karachi, he noticed a telegram the other day where it said that "A special meeting of the Karachi Chamber of Commerce yesterday afternoon threw out, by a small majority, Sir Montagu Webb's proposal that the Karachi Chamber should support the Bengal and Bombay Chambers' views as to the management of the East Indian and Great Indian Peninsular Railways by companies

domiciled and directed in India rather than by the State direct. The Karachi Chamber now stands committed to the opinion that the management of the East Indian and Great Indian Peninsular Railways, on the expiry of the present contracts, should be taken over by the State, the agents of those railways to be associated with Boards of Management." That was a telegram published on January 5, 1923. Curiously enough, Karachi was entirely dependent on the North Western Railway, which was a State-managed railway, and had nothing whatever to do with the East Indian or the Great Indian Peninsular Railways. That was an important point to consider.

As Sir Francis Spring had said, there were reasons why the North Western Railway should remain under State management, and he agreed that it was largely a strategic railway, and not a commercial railway. The frontier railways certainly were best under State management but with regard to the main line from Delhi to Karachi he saw no reason why it should not come under company management, although no doubt the Karachi people, having been entirely dependent on State-managed railways, preferred by a small majority to remain under State management. The question was very soon coming up for consideration by the Secretary of State and he had seen a paragraph in *The Times* of February 9 which said that "In the Legislative Assembly, yesterday, Mr C. A. Innes announced that Lord Peel required a further few days to consider the question of State *versus* Company management of the Indian railways, and that the discussion of the question had been postponed till February 26. He sincerely hoped that the lecture they had just heard would have much influence on the decision of the Secretary of State (Hear, hear). In his opinion it was a great mistake to have State management, and he hoped the representation made by the East Indian Association would receive due consideration by the Secretary of State (Hear, hear)."

Sir CHARLES MILES said that he must apologize for rising, being neither a railway expert or—unfortunately for himself—a director of, or shareholder in any Indian railway, but with reference to what the last speaker had said he was an *ex-officio* member of the Karachi Chamber of Commerce—whose attitude in this matter he did not understand—for some fourteen years during his period of office as Chairman of the Karachi Port Trust, and though he was not a railway man he had had a great deal to do with the one railway serving Karachi—the North Western Railway. He had only recently left India, and forty-seven years of Sind had given him some opportunities of watching the North-Western Railway, and though he could not say with certainty that private companies would have been in a position to prevent the almost yearly severance of Karachi from the rest of the Province and the Punjab by the terrific floods which used to sweep away great blocks of the railway year after year because there were not sufficient waterways to carry them through—yet when merchants expostulated they were always told there was no money. As regards the management of that railway it had had a succession of very able men who had done splendid work, but they suffered from the limitations imposed on them. He had not a word to say hostile to the actual

working management, which was admirable. As no doubt all present knew, before the war Karachi was the largest wheat exporting port in the British Empire, but, at times, when merchants wanted to bring enormous quantities of wheat down to Karachi, urgently required for shipment, floods interfered, and the management said to bring too much would choke the Port, but the real fact, he thought, was that they had not got enough rolling stock. The Port facilities had been enormously increased of late years more than doubled, and the question of choking the Port had disappeared, but still the grain had not always arrived when wanted, because sufficient rolling stock was not there, the fact was the money was not there. No doubt money was difficult to get, but it seemed to him—speaking as a man in the street, with an outsider's experience of this one railway—that a company working for its shareholders would in some way have succeeded in finding the money to cope with the situation (Hear, hear) No doubt the Government were hard up. He had been a District Officer for some thirty five years, so he knew something about the financial side of the question from the Government point of view, but if funds were not forthcoming to meet the exigencies of the situation, why not leave it in the hands of companies who could find the money? He thought the city would be much more likely to produce the needful if the Boards were located in this country than in India. He would like to ask however, whether this is the time to talk about nationalizing the railways of India. They might as well say nationalize the ports of India, and leave it on the lap of the gods as to what is to happen in the future. The matter is in no way a political one, but owing to the march of events has become such and some at least of those who urged nationalization did so in fact as a political manoeuvre. He went to India fifty years ago and, to his sorrow, had seen the Province with which he was associated throughout his working life turned in the last few years from a loyal, peaceful, happy, and contented country into a seething mass of sedition by a few unscrupulous agitators. At this moment what man can say what the future will bring forth? In his opinion it is advisable to defer consideration of this nationalization question for, say, another ten years till conditions are settled for better or worse, and Government know what is going to happen! (Hear, hear)

Mr H M JATIANI said that the Lecturer seemed to start with a pre-conceived idea that the services of the companies should be retained at any cost, but the proper way, in his opinion, to approach the problem was to examine which is the most economical method of giving railway facilities to India.

In his anxiety to uphold company management at any cost Sir Robert Gillan loses all perspective. The present system is obviously inconsistent with the policy of transferring the powers¹ of the Secretary of State to the Government of India. Then there is a long dolorous tale of grievances by the Indian people—grievances of undue pressure on the Secretary of State, of scant attention to the Indian market for the supplies of railway material, etc. With these one is familiar enough. Added to all this, the evils of divided control, by which all initiative is destroyed, make the

system a well nigh impossibility. Even Sir R. Gillan confesses to the failure of the existing system although he explains it as due to financial causes for which the Government has been entirely responsible. The main burden of complaint against the existing system is, of course, the defective methods of financing the railways. But it is submitted that they are a necessary and a constituent part of the existing arrangement by which administrative action is divorced from financial responsibility. Sir R. Gillan complains that if the Government had allowed the companies to raise capital whenever they wanted it, all the difficulties will be removed. In making this remark it is entirely forgotten that all that the Government has refused to do is to give a guarantee for the capital proposed to be raised by the companies. Private enterprise in the true sense of the word, barring a few exceptions, has never existed in India. Referring to the complaint that the Government has failed to encourage private enterprise, the Mackay Committee observed that not in one single case the criticism was justifiable. The failure on the part of the Government was the failure to give a guarantee.

To permit the companies to increase their share capital on the present terms whereby the Government must offer to guarantee a minimum return is open to two objections. In the first place, greater inducement must be offered to the investors in order to raise the requisite capital through the agency of the companies, than if the Government goes directly to the market; secondly, the share of the companies in the surplus profits will be increased with the rise in the proportion of their capital to that raised by the Government. In the circumstances, it will be at all times an uneconomic proposition to employ the services of the companies for the purposes of raising the needed funds. What services can be rendered by the interposition of a company which requires a guarantee for its capital passes one's imagination. The cure for the present financial ills lies in the adoption of a bold policy of finances by the Government. If every new capital raised can yield more than what it costs the Government need not be afraid of injuring its credit. Every addition of a line which is a commercial success goes, on the contrary, to increase the capacity of the Government to raise fresh funds. Even though a line may not be justified as a sound commercial proposition the indirect benefits to the revenues of the Government by the increased prosperity of the area which the line serves, may warrant its construction.

Freedom to the companies to raise the necessary capital raises still another issue which has not been adverted to by Sir R. Gillan. The Acworth Committee expressed their opinion that the present railway securities were not popular because they are not large enough to secure a free dealing in the market. This point has been very improperly appreciated by the general public, but it deserves, however, some elaboration. It is only an economic truism to say that the popularity of investments varies directly with the readiness with which they can be dealt. If it is desired that their turnover should be participated in by a large number of investors, then it is essential that they should be of a simple uniform kind. If the securities are in form it is easier to find a sale for them than

if they are issued as twenty-one distinct types of them, as at present. In order, therefore, to increase the popularity of the Indian railway securities, it is necessary to reduce the present complexity by consolidating them into uniform Government securities.

If it be conceded that the employment of the companies as financial agencies will be impolitic and costly it is evident that as a practical proposition the formation of independent companies is impossible. The Government must remain the owner of the property. As such, it is bound not only financially, but morally and politically, for the policy pursued, and cannot therefore leave the companies a free hand. The only solution is to throw the administrative responsibility on the Government, and thus to create an identity of financial and administrative interests.

Convinced of the necessity of direct Government action, both as regards further extension of railway facilities and their arrangement, he was, however, not an apologist of the present methods of the Government as regards financing the railways. The present system by which every fluctuation in the general treasury affected the railway programme was obviously uneconomic and untenable. The proposal therefore for the separation of the railway budget from the general budget was the most essential part of the whole scheme for direct Government management. The idea underlying the scheme is to maintain a sustained policy of finances without the limitations which hedge around the ordinary Government departments. A move has already been made in this direction, and there are evidences to show that the Indian public is already persuaded of the wisdom of the proposal.

The CHAIRMAN: We are very grateful to the last speaker for having introduced a new point of view into the discussion. I do not agree with much of what he has said, and I am sure Sir Robert Gillan does not; but we are grateful to him for having put it forward, otherwise Sir Robert would have been in the happy position of preaching only to the converted. It is unfortunate that the only representative of the India Office we had here has just left, but no doubt he has heard enough to know what the representative views are on the subject before us to-day.

There are just a few outside points which I would like you to consider. First, the amount of capital sunk in the Indian railways is according to the last report, £440,000,000 sterling. Out of that, £350,000,000 is provided by Government and £90,000,000 by the private investor, therefore 80 per cent of the capital is Government. The earnings of the Indian railways amounted last year to £62,000,000, and of that amount 67 per cent or two-thirds went in working expenses. That is an appalling figure—I remember when it did not exceed 50 per cent.—and it shows there is great waste somewhere. If you pursue the analysis of last year's workings you will find the highest percentage of working expenses is on Government worked railways, and the lowest on company managed railways. The net profits last year were £11,000,000 after payment of working expenses and other such charges. That returned only 2½ or 2¾ per cent on the capital, and as most of these are guaranteed railways, it meant that the Government, which for the previous twenty years re-

ceived a substantial surplus every year had to supply a deficit of 6½ millions sterling out of last year's general revenues. I feel sure that certain politicians, such as those whom Sir R. Gillan has quoted, will have every reason to be satisfied with the situation which has arisen—that is to say, that there are now no mercenary interests left. The boot is on the other leg, and the unfortunate general public—the man who hardly uses the railway at all—is now compelled to contribute by way of increased taxation for the benefit of those who use the railways in India. In connection with State management we should consider the experience of other countries. I have seen something of the railways in other countries. Take Germany, before the war all the German railways were State managed and were, perhaps, the most efficient and well managed system probably in the world. But it is significant that even before the war the German railways did not pay—they barely managed to pay their way. Now, after the war, they are still State managed, but as they have no longer an efficient Government, the German railways, I am told, are in a gross state of mismanagement, speculation is rife, thefts are very common, and a large number of passengers do not pay their way at all!

That is the position in Germany to day under State-managed railways and, as one speaker (Sir Horace Mules) remarked. Can we be sure we shall have such an efficient system of Government administration in India as would prevent these evils arising which have already shown themselves in a few years in that very efficiently managed country, Germany?

Then take France where you have the two systems at work. One system, to my own knowledge, is a by word even in France for mismanagement and that is a State managed railway.

Then take Russian railways. They *were* State-managed. I do not know what they are now, probably there are none left under Soviet rule, but before the war they were fairly efficient—by the Russian standard. They were always worked at a loss, and I was told by the Director General of Russian Railways when I was in Russia that a main cause of the admitted losses in the working was the fact that owing to their being State managed everyone who was a State official insisted on himself or some near relative travelling free, and in the immediate vicinity of the great towns one-quarter of the passengers would be found not to have paid at all! That is an example of State management under a slack administration.

Then we come to Italy, where all the railways were State owned and managed. Those of us who have had the misfortune to travel by them consider them to be the worst in Europe, and the first reform which Mussolini has introduced was to do away with State management and transfer control to companies, and he hoped thereby to get rid of at least 100,000 surplus railway employees. (Hear hear.) In England we had a brief experience of State management during and after the war. We all submitted to it, and some of us grumbled at it, but even in England under State management the railways not only did not pay their way, but they took something like £50,000,000 a year out of the pockets of the taxpayer to make up the deficit. The British people would not stand it

long, and they insisted on Company management being restored, and what has been the result? In two years the railway service has become more efficient, the officials have become more courteous the service has become cheaper and more popular, and all the lines are paying good dividends, for, as Sir Robert has remarked no great dividend paying institution can carry on without doing public service, and they cannot do public service without securing the confidence and co-operation of the public

Now, to take another aspect of the case, supposing you get only State railways and only State management in India, what will be the indirect result on the political situation? Some evils have already been referred to, but there is one great fact In India at present you have 1,000 000 railway employees, and if you turn them all into State servants, what a tremendous engine you have for influencing politics, the Indian politician will try to capture their votes, making them lavish promises of increased pay, and swelling the number of railway employees. You will have increasing pressure on Government, more strikes, more sabotage, and steadily decreasing efficiency and revenues It is difficult enough to deal with these troubles at present, but with all the other political side influences at work it will be more and more difficult Personally I think we have in India at present a system which works very well. The railways are owned by the State and the State benefits by their prosperity Side by side you have State management and Company management Each can learn something from and teach something to the other Healthy competition, I think is all to the good I have seen a good deal of the working of each and this has been my experience, that on the whole Company management was superior, they were more ready to adapt themselves to the needs of the public, and the officials were more ready to see the point of view of the public and therefore did more to meet the wants of the public In fact the Company management was the more business like, and as the reference to the Bengal and N W Railway shows it gives you more for your money I am sure, from what we have heard, that the feeling of the meeting as a whole is strongly in favour of the view put forward by Sir Robert Gillan—to maintain if not to extend, Company management

One point dealt with by the last speaker was the difficulty of Ways and Means under the present system of yearly budgets The Indian railways suffer enormously from the fact that the budget is a gamble on the rains But recently an arrangement has been come to and approved by the All India Assembly fixing the capital expenditure on the railways for the next five years instead of by a yearly budget. The sum is I think 100 millions, and there will be no lapse That should give the necessary elasticity which is so essential to railway work, and meet the most serious objection of the Acworth Committee which led them to propose a complete separation of railway finance.

It is unfortunate that no public question can be discussed in India to-day apart from its political bearings But a cheap and economical railway system which every well wisher of India must desire can only be provided if the railways are able to draw on English as well as Indian capital, and

any arrangement come to must therefore not only give confidence to the Indian people, but also to the British capitalist, by whom the prosperity of the Indian railways has been almost exclusively built up and without whom in my opinion it cannot be maintained. (Hear, hear, and applause.)

The LECTURER, in reply, said the discussion left him with very little to say. With regard to Mr Jaghiani's remarks he agreed that for the purpose of the present discussion he had assumed that the general attitude would be in favour of Company rather than of State management, and he thought the assumption had been well justified. If Mr Jaghiani would study, as he had suggested, what had happened on the other railways of the world he would probably come to the conclusion that it would be a bad day when the railways of India were brought under State management. The Chairman had given many convincing proofs to that same effect. Supporters of State management in India seemed to think they would get the cheapest working and the greatest surplus, as Sir Francis Spring had said, they looked forward to the railways spending little themselves and yielding large funds for other purposes. The prospect, however, was delusive. Experience has shown that under State management there are no profits left at all.

Regarding the question which had been raised as to the grouping system in India, he thought even in this country it was a question with two sides to it, they might save the salaries of a few directors but that was not very much on a capital of £400,000,000 or £500,000,000 such as was the capital of the London, Midland and Scottish Railway. Stress had often been laid on the wastefulness of competition, but the public benefited by it. In grouping you were doing away with a great deal of healthy competition and he knew of many traders who did not at all like the prospect. In India also one had to consider the enormous distances traversed by the railways, the East Indian main line for instance, if set out on a map of Europe, would stretch from Rome to London. There might be one or two cases in India in which grouping could be arranged, but the distances to be covered were against its general adoption. (Hear, hear, and applause.)

On the motion of Lord Pentland a hearty vote of thanks was accorded to the Lecturer and Chairman.

The proceedings then terminated.

PROTECTION FOR INDIA

BY GILBERT SLATER, M A., D SC.

THE enquiries of the Indian Fiscal Commission resulted in the presentation of a main report, signed by all the eleven members, recommending the adoption of a definitely protectionist policy for India, with a view to ushering in a period of intense industrialization, and of a Minute of Dissent signed by five members, including the Chairman, who objected to the main report chiefly on the ground that it showed an insufficient degree of protectionist fervour. And, indeed, the result would have been more in accordance with Indian opinion if the main report had been as thorough going as the minority desired.

The Lancashire man frequently finds it difficult to realize this unanimity among educated Indians. He can quite understand Bombay wanting a pretty stiff tax on all imported cotton cloth, but he is somewhat astonished when he is told that the middle classes in Madras are, to all appearance, just as eager for it, though they have no shares in cotton mills, and realize that an import tax will put up the price of the imported cloth which was their exclusive wear until Mr Gandhi induced a few among them to adopt *khaddar*.

It is not difficult to discover some effective causes for this phenomenon. A good many years have passed since the late Mr Justice Ranade popularized for India the fundamental principles expounded in List's "National Economy," and there can hardly be any country to which these principles are more applicable. With its vast extent, its great variety of climates and natural productions, its undeveloped wealth in vast coal and iron deposits and in water power, its home market of over 300,000,000 souls, and its ancient fame in cotton and silk manufacture and in many forms of metal work, India's potentialities for manufacture on a great scale are obvious and striking. With

these potentialities the Indian student of economics compares the actual industrial condition of the country, and sees about 90 per cent of the population living in villages, about seventy per cent. agriculturists (and these frequently so thickly crowded as to get a very meagre living even out of very fertile soil), the exports mainly food and raw materials, the imports manufactured goods prominent in the list and far exceeding any other import in quantity and value, the cotton cloth, in the manufacture of which India was till recently supreme, and he finds the contrast very painful. Where is the fault and what is the remedy? He seeks an answer from the economists of Europe and America and he is told, by one famous school, that the fault is in the fiscal system which British rule has imposed on India, that there is a certain stage in the normal development of a nation during which protective tariffs are essential, in order to assist it in passing from the condition under which it is too exclusively agricultural into that in which there is right proportion between manufacturing industries and agriculture and that without fiscal protection the struggling infant industries will be killed by the competition of the powerful firms, with their great capitals and established commercial connections of more developed countries. This argument has been found convincing enough in Germany and America which fact itself gives it additional authority in India. In India it is all the more attractive because it attributes India's present manufacturing inferiority to no permanent cause and to no failing of the Indian people, but to a defect in Governmental policy, which can easily be altered as soon as India attains a sufficient measure of self-government. The Neo-Protectionist doctrine is therefore hopeful and encouraging, and agreeable to Indian self esteem.

But in order to understand the intensity of Indian feeling on the subject we must bear in mind the history of the long struggle between the Viceroy's Government in India and the Lancashire manufacturers over Indian cotton duties,

which began in 1874 and is still proceeding. The issue was raised when Indian cotton manufacture on modern lines was first beginning to show signs of vigorous growth. A description of the first Indian cotton mill on record was given to a Select Committee of the House of Commons in 1840, and it had evidently been working then for a number of years, but as late as 1871 the mills in Bombay Presidency employed only just over 8,000 hands. At that time all Indian imports and such Indian exports as would bear it paid small duties designed purely for revenue, those affecting imported manufactures being $7\frac{1}{2}$ per cent *ad valorem* from 1871 to 1875, and 5 per cent after 1875. These duties were held in Lancashire to give an unfair advantage to the Indian mills. They gained the concession that the coarser goods in which alone Bombay could compete, should be exempted from import duty and thus the tax practically ceased to be protective, and a slight, but only a slight loss of revenue resulted. The Lancashire men, however, were not satisfied until, in consequence of an improvement in Indian finances import duties were swept away generally in 1882. In 1894 import duties were again necessary in order to balance the budget, and general import duties without a duty on the import of preponderating importance would have been a poor financial expedient. A 5 per cent. duty was put on all cotton yarn and cloth imported, and, to placate Lancashire, a counterbalancing excise on yarns spun in India above 20s was also imposed. Though Lancashire exported to India very little cloth woven of yarn so coarse as 20's and under, the cotton manufacturers put up a great fight to secure either free importation or an equal excise duty on all Indian manufacture. At the time Sir Henry Fowler, as Secretary of State successfully resisted the pressure put upon him but in 1896 Lancashire won. All yarns were exempted from both import and excise duties, all imported woven goods were taxed $3\frac{1}{2}$ per cent, and all Indian mill-woven cotton cloth was also subjected to an excise duty of $3\frac{1}{2}$ per cent.

It is quite possible, from many points of view, particularly from that of Free Trade theory to make out a good case for that excise duty, and it is an undeniable fact that it did not prevent the steady expansion of Indian cotton manufacture. With very cheap labour, much more nearly equal to Lancashire labour in efficiency than is usually supposed, and with abundant home supplies of raw material, Bombay was able just as easily to undersell Lancashire in coarse cloth as Lancashire to retain supremacy in the finest qualities. In the medium qualities, where competition was possible there was a tendency for the range of competition to move upwards, Lancashire gradually dropping out of the Indian market for the coarser cloth, and the Indian manufacturers working up to finer counts. But their prosperity did not in any way reconcile the Indian millowners to the excise, it only added to the numbers and wealth of those who were directly aggrieved. And so far as educated India generally was concerned, no arguments that could be put forward could obscure the damning fact that an excise duty, of a character to which no parallel could be found in any self-governing country, was imposed upon India, in spite of the strong and continuous protests of the Viceroy's Government backed by unanimous public opinion, and that it was imposed by the influence and in the interests of a body of foreign industrialists. All educated India felt the excise duty to be even more an insult than an injury. The victory of Lancashire was an Imperial disaster of the first magnitude.

That the practical grievance was largely mitigated if not entirely removed, by recent successive increases in the import duty leaving the excise duty unaltered, is indicated by the fact that the Indian Legislative Assembly last year declined to sanction any alteration in the rates as fixed by Mr Austen Chamberlain. Nevertheless the effect remains. The cotton excise has made Neo Protectionism a fervent national creed.

In these circumstances it is idle to argue that Indian industry suffers from other and even more serious dis-

advantages of a remediable nature than foreign competition, and that there are measures to be adopted which might be no less effective than protective tariffs, and free from the very serious objections to which Protection is liable India believes in Protection, India is obsessed with the idea of Protection. If a dominating Power refuses to permit India to adopt Protection on the ground that it would be injurious to India, and recommends alternative means of fostering industries on the ground that they will be more beneficial India will refuse to believe in its sincerity, or honesty of purpose, or friendliness. After India has made a fair trial of the measure locally believed to be most important and most valuable, fair consideration may be given to other measures, either as alternative or supplementary. There are various conditions which must be satisfied in order that the connection of India with the Empire may continue. One of them, in my opinion, is that any lingering doubt that may remain in Indian minds whether India is as free to determine her own tariff policy as Australia or Canada should be effectually dissipated.

India has at the present time a tariff which is designed for revenue, but which has incidentally a considerable protective influence. The Indian Fiscal Commission recommends that this situation shall be reversed, that the tariff shall be reconstructed in order to give the maximum encouragement to manufacturing industries for a given degree of loss and inconvenience to the consumer, however injurious the effect upon the revenue may be. The Commissioners recognize that the two purposes, protection and revenue, are mutually antagonistic, since just in so far as an import duty is effective for protection by excluding imports it fails to yield revenue. The main report suggests that some compensation for loss of revenue may be found by putting on top of the duty imposed for the sake of Protection an extra duty on imports for the sake of revenue, this extra import duty to be balanced by an equal excise duty. In harmony with this general principle, it leaves the

question of the continuance of the cotton excise an open question, to be settled by the Government of India in agreement with the Indian Legislature, no interference by the British Parliament being tolerated. It is, I think, pretty obvious that this device of an extra import duty and equal excise duty would be likely to prove inadequate financially and unpopular politically. The minority of the Commission does not like it, and demands the immediate abolition of the cotton excise. The Minute of Dissent points out that in addition to whatever other losses of revenue there may result from revenue ceasing to be the main consideration in framing the tariff, the main report definitely proposes the abolition of the export duty on tea, and of the import duties on machinery, coal, hides and skins, and all other raw materials, which would result in the loss of about three crores of revenue. The writers of the Minute seem to think this a good reason for also sacrificing the two crores or so which the cotton excise brings in, and which is an expanding source of revenue. They are even less concerned about the revenue aspect of the question than their colleagues.

Criticism of the Report of the Commission must necessarily be confined to questions of broad principle, because, instead of themselves making detailed recommendations, the Commissioners propose

‘ That a permanent Tariff Board be created, whose duties will be, *inter alia*, to investigate the claims of particular industries to protection, to watch the operation of the Tariff, and generally to advise Government and the Legislature in carrying out the policy indicated above. The Tariff Board must satisfy itself, before recommending protection for any industry

‘ (i) That the industry possesses natural advantages

“ (ii) That without the help of protection it is not likely to develop at all, or not so rapidly as is desirable, and

“ (iii) That it will eventually be able to face world competition without protection ”

The Minute of Dissent endorses the general plan of the creation of the permanent Tariff Board, though it criticizes the proposed constitution. The real difference of attitude is that the writers of the Minute desire to bring the Board more directly under the influence of the electorate. They recommend that two out of the three members should be elected by the non official members of the Indian Legislature. The result, no doubt would be that the Board would become much more active in pushing on the prompt imposition of protective duties.

While reiterating my contention that no obstacle should be placed by the Secretary of State, or by Parliament, in the way of any protectionist policy that the Indian Legislature may adopt, I desire to express also my opinion that the new policy is a mistake, and that a continuance of a policy of "taxation for revenue in the first place" is more likely to be conducive to the real interests of India. I do not say that Protection will not in some degree produce some of the results hoped for from it, but I fear that, on the whole, it will prove a sad disappointment.

First let us consider whether any desperate necessity for artificially stimulating rapid and intense industrialization exists. I gave evidence in Madras before the Commission, and found that the majority, if not all, of the Commissioners were emphatically of opinion that no appreciable progress in industry could be expected without the change in tariff policy which they subsequently put forward in their report. I ventured to suggest that very considerable progress had already taken place. They told me that, while the war lasted and foreign competition was handicapped hereby even more effectively than it would have been by a protective tariff, some progress had indeed been made, but that, with the resumption of trade since, the ground had been lost again, and that the great cotton industry in particular was very severely depressed. When I left the room I looked up the current issue of *Capital*, and found that the ordinary stocks of Bombay cotton mills were then at an

average premium of 300 per cent. If that were severe depression I wondered what prosperity would be like But for immediate answer to the Commissioners that information was not available, and actually I remarked that the figures for the decade preceding the war also showed rapid industrial progress. They received this very sceptically, and asked me to submit a memorandum on the subject What I subsequently forwarded was not recondite information, but it included such items as the following

JOINT STOCK COMPANIES

	1904 5	1913 4
Number	1 494	2,681
Paid up capital	£26 782 710	£50 698,930

COTTON MILLS

	1904 5	1913 4.
Number	206	239
Looms	47,305	90 268
Spindles	5 166 432	6,208,758
Persons employed	196,369	244,002
Cloth produced (1 000 lbs)	158,747	256,406

JUTE MILLS

	1904 5	1913 4.
Number	38	64
Looms	19 991	36,050
Spindles	409 170	744,289
Persons employed	133 162	216,288

FACTORIES UNDER THE FACTORY ACT

	1903	1912
Number	1,391	2 654
Persons employed	553 422	869,643

OUTPUT OF COAL

	1905	1914
Tons	8 417 739	16 464 263

	1905.	1913 4
Gross earnings of railways	£ 27 799,467	£ 42 390,400

	1904 5	1913 4
Total imports	£ 95,947,280	£156,498,404
Total exports	£116,175,246	£170,726,916
Yield of income tax	£ 1,206 845	£1,950,250
Letters etc , sent by post (millions)	678	1,049
Deposits in Post Office Savings Banks (lakhs of rupees)	1,340	2 316

	1903	1913
Deposits in Joint Stock Banks (lakhs of rupees)	4,798	9,600

Such figures as these, showing increases in ten years of 60 to 100 per cent., in my opinion indicate a remarkably rapid rate of industrial progress. And if it be considered that such progress under the very low tariff of the pre-war period required to be accelerated by higher import duties, it must be remembered that since the War the financial position has led to the imposition of greatly enhanced duties, which, though aiming directly at increased revenue, also give Indian industries increased protection

We are also brought up against the question, What rate of industrialization is desirable? The growth of great industrial cities like Bombay, Calcutta, Lucknow, and Ahmedabad, and the conversion of great numbers of peasants into factory operatives, create social problems of great difficulty. The most elementary test of success in dealing with these problems is supplied by the vital statistics, and those for Indian manufacturing cities are far from reassuring. Thus, for example, the most recent figures I have for Bombay are those for 1921. That was not a good year, but it was free from any special epidemic. They are

Births	19,125
Deaths under one year of age	12,751
Deaths under five years of age	20,148
Total deaths	53,609

To understand how such a proportion between births and infantile deaths can be possible we must remember that it is a general custom in India for an expectant mother to go to her native village for her first confinement, and frequently for subsequent confinements also, so that a considerable proportion of the births that properly belong to Bombay are registered elsewhere. But even, after making full allowance for this fact, we see that *the great majority* of Bombay children die before they are five years old, and that the general death-rate of this city, which, because it is always recruiting great numbers of young men and women from the country, has a most exceptionally favourable age

distribution, approaches 50 per thousand living. These facts suggest that there is more need for India to direct energy and effort to remedying the evils which come from rapid industrialization than to still further stimulating the movement.

I do not myself endorse Mr. Gandhi's views on this matter, but I must confess that I have a good deal of sympathy with them, and I consider that there is much more reason in them than would at first sight appear. He holds, as no doubt you all know, that there is no remedy for the evils springing from capitalist big business, machinery, and factories, short of dispensing with those things themselves, and with all the material advantages they bring. He would give up railways and motor-cars for the ox cart, and textile factories for the spinning-wheel and hand loom. The idea to Western minds appears childish and ridiculous, and in India itself it commands very little genuine support and hence it is not really practicable. But consider the conditions of Indian village life. Though they vary from one part of India to another, everywhere the monsoons are the dominating fact. Generally speaking, we may say that there is a brief period in the year when all the available labour is wanted for agricultural work, a longer period when employment is fairly good, and long periods when there is little or nothing to be done. In the old days cotton spinning was the great subsidiary industry that occupied the period of compulsory agricultural leisure, and Mr. Gandhi desires that this should be the case once more. A mean of various observations and calculations indicates that two annas a day is about as much as a man or woman can on the average earn with the spinning-wheel, and this is indeed a miserable pittance. But two annas a day is better than nothing, and two annas a day earned by each of several members of a family during the four or five months when there is no agricultural work to be done may make all the difference between adequate nutrition and semi-starvation. Actually the poor families over a large

district of the Bombay Deccan, instead of warding off destitution by the use of the spinning-wheel, send their young men into Bombay to work in the factories, and to reside in the most abominable slums to be found within the limits of the British Empire, with disastrous results to their health and their morals. The village, in consequence, is short of labour in the short period of maximum agricultural activity, and the output of food and raw cotton is thereby slightly diminished. The village also collects its cattle dung, makes it into "bratties, and sends it to Bombay to be used as fuel, and the output of food is thereby very considerably diminished. The factories effect an enormous saving of labour time in producing a given quantity of cloth, but what is the good of that if the saved labour-time is wasted in idleness?

I do not agree with Mr Gandhi's views because I think reversion to the spinning wheel is probably impossible, and that the remedy for the injury done to the villages by its supersession must be sought by finding other, and if possible more profitable, subsidiary occupations for agricultural families. But I so far sympathize with him that I cannot feel very enthusiastic for the intense industrialization of India by a rapid increase of machinery, factories and great manufacturing cities. In any country these things are mingled good and evil, and in India it seems to me the evil is greater and the good less than in temperate climes.

In the second place let us consider what form intense industrialization fostered by high protection is likely to take. What, for example, will the Lancashire cotton magnates do? They have already before their eyes the example of the jute manufacturers of Dundee, who long ago set up their mills by the banks of the Hugh, and the more recent example of Messrs Cammell, Laird and Company, who propose to set up steel works in India beside which the Tata Iron and Steel Company will be dwarfed in comparison. It is a constant puzzle to me to guess why

the Lancashire men have not already set up mills in India, and I cannot imagine they will hesitate much longer when once the policy of the Fiscal Commission is definitely adopted. The combination of white capital and coloured labour is open to very serious objection on social and political grounds, but it is extraordinarily effective economically, and when Lancashire capitalists, or Scots, or Americans or Germans enter this very profitable field of cotton manufacture in India, I do not believe that either Parsis or Gujeratis will be able to go the pace that will be set. Nor is the possibility of Japanese also entering the field one to be entirely disregarded. If this be so in the case of cotton manufacture, in which Indian enterprise enjoys the advantage of a long start, it is much more the case with such new industries as may be fostered by the tariff like leather manufactures, paper, power alcohol, pottery, etc., to say nothing of iron and steel manufacture and engineering of various sorts.

This possibility has by no means been overlooked by Indian protectionists, and it has been a good deal discussed, with the result that three opinions have found expression. One is that the danger is imaginary and that the Indian capitalist and entrepreneur will more than hold his own in equal competition with foreigners. Another is that foreign capitalists and captains of industry will indeed take a great part in the future development of Indian industry under Protection, but that there is no reason to be concerned on that account, for the advantages to India of the development of industry under their auspices will far outweigh the drawbacks that the direction is not Indian and that a part of the profit goes abroad. The third opinion is that the danger is real and serious, but that the Indian Legislature will be able to find effective means of guarding against it, and this last is, I believe, the opinion held by the majority of Indian protectionists. I myself think they are mistaken. I believe, in the first place, that since India is a land of greedy borrowers and rare economizers, so that any one

who saves money can easily get from ten to fifteen per cent. without risk and with very little trouble, Indian capital can just as easily be undersold in competition with European capital as European labour can be undersold by Indian labour. I believe, in the second place, that any political measures devised to keep the foreign capitalist out of India will be either defeated or evaded, and that this will happen quite irrespective of any possible political development. Even if India becomes an absolutely independent State, with no political tie to the British Empire or any other Empire or nation, I do not think India will any more be able to resist the pressure of cosmopolitan capital than Mexico or China. And, whether it is likely to be good or bad for India to fall more and more completely under foreign industrial control as a result of Protection, I am sure that this is not what Indian protectionists desire. Therefore I fear that the alluring fruits will prove Dead Sea apples.

But the main question is whether India can afford the sacrifice of revenue which must result from ceasing to make revenue the main object of the tariff. If we could regard this question purely from the economic point of view, I should answer it with an unhesitating "Yes." The chief wealth of India comes from the cultivation of the soil, and the economic rent of land—urban land as well as rural, but rural mainly—is the great taxable surplus. Under Akbar the landowner was supposed to pay to the State one-third of the gross output, actually no doubt he paid on the average a good deal less, but he probably paid more than one-sixth. At the present day a very careful calculation made by the Madras Agricultural Department shows that the landowners of that Presidency pay only two per cent. of the gross output as land revenue, and it is well known that the rest of India pays less in proportion than Madras. Hence I consider that, purely from the economic point of view, the economic rent of land could yield a sufficient and expanding revenue, which, when supplemented by a reasonable tax on incomes derived from other sources, would

support continually developing Governmental services, and that the reaction on the prosperity of Indian agriculture would be favourable rather than the reverse. I know full well that this is an unpopular opinion. It would be idle, however, to argue the question since any considerable increase in land revenue is politically impossible. Quite apart from the difficulties produced by the lamentable blunder of Permanent Settlement, we have the stubborn fact that the landowning classes dominate the Provincial Legislative Councils, and that they are all firmly convinced that the landowner is already much too heavily taxed.

There are many highly controversial questions with regard to Indian finances, as, for instance, whether the Indian Government as a whole is, compared with other Governments, economically or extravagantly conducted, whether there is, or is not, room for a great reduction of military expenditure, whether a saving can be effected by further Indianization of the services, and, if so whether that saving can be considerable. But even if we take the view on each of these questions which furnishes the highest degree of hope for Indian finances, the facts remain that of recent years there have been very heavy deficits in both the Imperial and the local budgets, that economies have had to be sought even at the expense of sacrifice of efficiency and that to recover financial equilibrium will in any case, need very strenuous efforts, and even such a modest sacrifice of revenue as that of the five crores mentioned above would be a very serious additional difficulty. A young Madras politician remarked to me 'If we would advance, we must be prepared to tax ourselves.' But he could not point out to me any direction in which Indian politicians are prepared to advocate increases of taxation of a character to produce a substantial revenue, nor did he claim that the Indian electorate would readily give its votes to candidates who advocate such increases.

For these reasons I hold that, in the future as in the past, the Indian tariff should be designed for revenue and

not for protection, though if a tax which is worth while for the revenue it produces should also incidentally have a protective effect, it should not on that account be objected to. I doubt, however, whether there is an Indian unofficial member of the Legislature who agrees with me, except Mr. Joshi, the very energetic and able, and, I believe, unique Labour member.

One further question naturally rises to the minds of some of us. Whether Indian Protection will be beneficial or otherwise to India, it will certainly be prejudicial to British industry. What, then, should British industrialists—those of Lancashire particularly—and the British Government, acting on behalf of British industry, do to neutralize that injury? I say, “Railroadize Africa.” When the present Government came into power, I was astonished at what seemed to me the egregious mistake of resolving to spend twenty millions on such obsolete things as “capital ships.” Far better, I think, would it be to give the same amount of employment to the same districts and the same industries by setting men to produce rails, locomotives and trucks, to open up, in lands of even greater extent and greater potential wealth than India, new markets for British manufactures, and new sources of food and raw material.

DISCUSSION ON THE FOREGOING PAPER

A MEETING of the East India Association was held on Monday, March 19, 1923, at the Caxton Hall, Westminster, S W, at which a paper entitled "Protection for India," was read by Gilbert Slater, Esq., M A., D SC. Sir John Wallis (late Chief Judge, High Court, Madras) was in the Chair, and the following ladies and gentlemen, amongst others were present: The Right Hon Lord Lamington, G.C.M.G. G.C.I.E., the Right Hon Lord Pentland, G.C.S.I., G.C.I.E., General Sir Edmund Barrow, G.C.B., G.C.S.I., Colonel Sir Charles Yate, Bart. C.S.I. C.M.G., M.P., Sir Lionel Davidson, K.C.S.I., and Lady Davidson, Sir Lionel Jacob, K.C.S.I., Sir John G. Cumming, K.C.I.E., C.S.I., Sir Patrick Fagan, K.C.I.E., C.S.I., Sir Henry Joseph Stone, C.I.E., and Lady Stone, Sir William Ovens and Lady Clark, Mr C. E. Buckland, C.I.E., Mr Alexander Porteous, C.I.E., Mr I. H. Brown, C.I.E., Miss F. R. Scatcherd, Mr P. Padmanabha Pillai, Mr A. D. Gorwalla, Mr P. G. Abraham, Mrs Drury, Mrs. Meyer Mrs A. M. T. Jackson, Miss Nina Corner, Mr W. Tinker, Miss Walton, Mr G. A. Hope, Mr H. R. H. Wilkinson, Mr and Mrs W. W. Drew, Mr Bala Krishna, Mrs White, Mr R. N. Vaidya, Mr J. C. R. Price, Mr F. R. Crepin, Mr K. G. Cleetus, Mrs. Anstey, Mr W. D. Tompkins, Mr F. C. Channing, Mr F. J. P. Richter, Mr Sydney G. Roberts, Mr N. J. Shah, Mrs Hankin, Miss Marriss, Mrs W. G. Martley, Miss Hare, Mrs Gates, Mr D. G. Chowdhari, Miss Cunningham, Major G. W. Gilbertson, Mrs. Strong, Miss Collis, Mr B. Dent, Miss V. Davidson, Mr F. J. Shaw, Mr F. W. Sherwood, Captain Rolleston, Mr J. S. Dhunjibhoy and Mr Stanley P. Rice, Hon Secretary.

THE CHAIRMAN Ladies and gentlemen, I only desire to say a word by way of introduction of the Lecturer this afternoon. Having released Home Rule for India, if I may borrow an expressive and perhaps not altogether inappropriate term from the film world, we have to take the consequences both pleasant and unpleasant, and to be prepared to give India an opportunity of shaping her own fiscal destinies, even at some loss to our own industries. This is now the declared policy of the Government. The future, therefore, must depend upon two factors—Indian conditions and Indian opinion. On both of these subjects Dr Slater is in a position to speak at first hand. I feel that I can answer for that myself, and that, really, is my only justification or excuse for being in the position I am. I was Vice-Chancellor in Madras when the new Chair of Economics was founded and Dr Slater was appointed to fill it, and I know, from personal knowledge, how successful he was in getting into close touch with Indian opinion. I also know what a thorough re survey he made of the prevailing economic conditions, and I venture to think, therefore, that his views are worthy of your consideration. There are, I know, other gentlemen here who are also well qualified to speak, and I hope that we shall afterwards have the benefit of hearing their opinions on his paper. (Hear, hear)

The paper was then read

The CHAIRMAN My lords, ladies, and gentlemen, we shall be very glad to hear the views of any of the gentlemen here present on the very interesting paper which we have just listened to

Miss SCATCHERD said she had had the privilege of making the acquaintance of the Lecturer before he went to India, and she had been very much interested in his paper She wished to read a paragraph or two from an interesting letter she had received from Dr Pollen

Dr Pollen in his letter said

"I think the Association is to be heartily congratulated on obtaining this short, but excellent, paper on 'Protection' from Dr Gilbert Slater He is one of the very few who knows, and he not only knows, but 'he knows that he knows' He fully understands what he is talking about, and he knows full well that in their present moods the Legislatures of India are unreasonably enamoured of 'Protection' They are thus enamoured simply because Australia and Canada have gone in for their own tariff policy, and India has always felt herself insulted more than really injured, by the Pyrrhic victory of Lancashire, and the futile imposition of the improper and unreasonable cotton duties This was, and is, a stupidly inflicted grievance, but all honour to the British Government of India of the day, the imposition of these duties was none of their doing It was by command of Parliament and the Secretary of State If the various Legislatures of India really understood and knew the things belonging to their peace they would boldly stick to their present tariff designed solely for revenue, and would only adopt Protection on the true principle thereof But what is the true and, indeed, the only principle of Protection? It is a very simple one, and I only wish that India through Dr Gilbert Slater, and the East India Association could learn this principle

"Protection is needed for the nascent and the sick alike, in persons, things and companies and it is to the clear interest of all—India and the world—that the nascent and the sick should receive protection

"Thus, young products, companies, colonies and all young and untried interests of all kinds, even young forms of thought and religion, need wise protection When grown-up they can swim without corks These young interests are in fact the future hope of the community, and while young and growing need a parent's care and protection But if they die young or become old and derelict they should be tended with respect, and buried with reverence.

"Dr Gilbert Slater shows that on the whole India really needs no protection and certainly it need no protection in the cotton trade, in which the figures indicate a remarkably rapid rate of industrial progression

'I have also been whole heartedly with Mr Gandhi in his desire to restore village industries, and I only wish it could be done But even the powerful British Government continually fail to tax the right people in India Income Tax was, and is, a ludicrous failure in India, and having regard to its mad 'permanent settlement' in Bengal, and its muddle in failing to secure more than 2 per cent of the gross output as land revenue, it is hard to see what the lawyer and landlord made Legislatures of India

will, and can, do to raise the necessary wind to carry the ship of State safely along "

Lord LAMINGTON said he was in agreement with the views expressed by the Lecturer, except, perhaps, in the last paragraph of his paper. They all agreed that with India having powers of self-government it was quite inconsistent with these powers to think that Lancashire or the United Kingdom could prescribe what should be India's fiscal policy. As India got full powers, England would have to abandon any pretence that she could legitimately interfere with her tariff. As the Lecturer had said, India, with her 300,000,000 of people was almost a world in herself, and the question of Free Trade or Protection would not vitally affect her as it would a country like ours. It is a noticeable distinction that whilst in this country the politician said "Get back to the land" in India the politician, on the contrary, counselled getting from the land to the town. He believed that human nature knew its own business better than any politician and if left to themselves industries would develop themselves better than by any artificial efforts of the Government, however well meaning. In his opinion Government enterprise had the most perverse and malignant influence on development, it simply meant doing an injury to Peter in order to pay Paul, or *vice versa*. Whilst it was all right for the Government to try and inform people what they should do, he believed such movements were much better left to themselves. He had not previously heard of the Camell Laird developments in India, but if such industries were to be started in India they would see industrial enterprise take its proper shape without doing any injury to the morale of the people. His experience in India had been that there was generally a complaint of shortage of labour both in the factories and in rural districts: he had often been told there was not sufficient labour available to undertake such and such a job.

With regard to the opening up of Africa by railways, he was not against it if it could be brought about by natural process, but he did not wish to see the Government landed with other great problems of transport or industry, though, no doubt, there was room for development in Africa. Private enterprise was by far the best way of organizing and developing the resources of a country. (Hear hear)

Mr CHANNING said that some years ago he had studied the question of Protection under a German professor, and one thing he remembered was that in Germany they found that nascent industries never grew up. The reason was that Protection created an artificial stimulus which enabled new industries less favourably situated than those originally started to grow up, and very often when they proposed to do away with Protection they were faced with the fact that men in these less favourably circumstanced enterprises would be thrown out of employment.

The Lecturer had referred to the possibility of Lancashire capitalists engaging in the Indian cotton industry. His own knowledge of the Lancashire industry had been mainly derived from books, but so far as his knowledge went it led him to the belief that the industry was owned to a

very large extent by the workpeople themselves, who had a very definite interest in keeping the industry in Lancashire. The cotton industry of Lancashire in that respect was rather peculiar

With regard to the statement made that in Madras they only paid 2 per cent. of the gross produce in land revenue, he would like to say that when he was a settlement officer in the Punjab his instructions included an assessment of one sixth of the gross produce. If they only paid 2 per cent. now things had altered a good deal since his time. He agreed that if India wanted Protection she ought to be allowed to have it, but in some Provinces he thought it would tell very hardly on the people. However those Provinces were represented in the Legislature, and if they were willing to pay for it there was nothing more to be said (Hear, hear)

Sir PATRICK FAGAN said, with reference to Mr Channing's remarks, that he had had a good deal to do with land revenue assessments in the Punjab during recent years, and though they had no definite standard with reference to gross produce, still, as a matter of fact, the assessments had worked out to something between 8 and 10 per cent. of the estimated value of the gross produce, though one had to remember that crop outturns and prices were assumed on a very lenient basis, and no doubt, if exact and precise calculations were made, the average would probably be between 5 and 8 per cent

With regard to the effect of the proposed scheme of Protection on the life of the people of India, it could not be too strongly insisted that 90 per cent. of them lived in villages, and 70 per cent. earned their living off the fields, so that their interests lay more in the humble concerns of daily life than in the pursuit of lofty political aspirations (Hear, hear) It was admitted that Protection was likely to lead to a general rise of prices in India, and that would affect the cost of production, which the Indian cultivator would have to bear in placing his products on the market. The effect of that would be to make matters very considerably harder for the Indian ryot and the peasant proprietor than they were at present. He would like to express his concurrence with a remark made by a member of the Government of India on that very question in the Indian Legislative Council. The member had said that if the Indian cultivators were in a position to really understand the issues raised in that great question, and if they were fully represented in the Legislature, he believed that they would have expressed a decided opinion against the introduction of such a scheme of fiscal protection as had been proposed (Hear, hear)

Mr P P PILLAI said that Dr Slater's fame in economics rested mainly upon his investigations into rural economics and upon his studies of English and Indian agricultural conditions, and also upon his popularization of the theories of Le Play in regard to the conditions of working men, a strong sympathy for the worker had always been one of his dominant characteristics.

Long before he had had the pleasure of seeing Dr Slater he had reckoned himself as one of his students since he had been in South India he had changed the outlook of most of his students in regard to economics

Whereas they had previously regarded economics as being something of purely academic interest, he had taught them that it concerned them in their daily avocations, and all they had to do was to go to their villages and find out how the people were living that was practical economics. As a result there was being established a new school of economics dealing with vital and real problems.

As the Lecturer had pointed out, it was quite true there had been a great development in Indian industry, India had made rapid strides into the sphere of industrialism, so that she was now considered to be amongst the eight great industrial countries of the world. But when they considered the vastness of India, he thought they would admit that the rate of progress, fast as it had been, was not sufficient, and what had been done was but a pale shadow of what remained to be done. Dr Slater apparently considered that the rate of development in some instances had been too great, and that it led to great social evils. The harassing details of mortality which he gave were more than appalling but he would submit that such results were not by any means necessary concomitants of industrial life, but, on the other hand, were avoidable evils. To his mind, the facts and figures employed by Dr Slater constituted a powerful argument, not against a speedier rate of industrial development, but against a *pari passu* development of congestion, in sanitation and other undesirable features of industrial life. To do them justice, it must be said that the Indian industrialists were fully alive to the situation and the evils to which Dr Slater referred had already been remarked upon by the Indian Industrial Commission, who laid special emphasis on the state of affairs in Bombay, and suggested that the erection of future factories should not be allowed in congested areas without the permission of the Municipality. India undoubtedly was doing a great deal to improve her industrial conditions.

Granted the necessity for accelerating industrial progress, it seemed to him that the erection of a Protective wall was not the way to set about doing things. India was now committed to a policy of development on all sides, not the industrial side alone, which of course meant increased expenditure. But the receipts showed no corresponding increase. From a recent financial statement he gathered that in India in 1919 they had a deficit of six crores, and that had increased to a total of ninety crores in 1922. It was clear a country could not go on very long in that way and therefore it became necessary to look for other sources of revenue. Now Customs duties provided more than 3 per cent of the total central revenues, and the effect of the adoption of a Protective tariff will be to curtail the income still more by reducing imports and exports.

In conclusion, he would venture to submit that the proper way to make progress in industry was to seek development by way of internal stimulation, and not by way of tariff which was beset with so many difficulties in its practical working, and, when all is said, with great uncertainty as to its ultimate results.

Mr K. J. CLEETUS said that the people of India were unanimous that

India must have Protection as a tariff policy That desire had arisen through complaints engineered by the capitalist section of India, especially the cotton manufacturers Their grievances had long since been remedied Then, again, the desire for protection had been strengthened by the lessons they learned during the war, the war had closed their foreign supplies of many manufactured goods, in which they experienced a serious shortage, especially in clothing, as a result of which prices rose rapidly, and considerable suffering was imposed on the poorer classes Their grievances were further exploited by the capitalist, which eventually forced the hands of the Government to appoint a Tariff Commission, which had unanimously reported in favour of protection There were many industries in India which could claim protection, but as to the methods of enforcing it they could not yet say with any degree of certainty He hoped, however, that within a very short time many of those industries would be able to stand on their own legs, and not be in need of protection any further

The question of overcrowding in India was undoubtedly a very pressing problem but that did not entitle them to say that it could not be remedied As a matter of fact, the Government and the Corporation of Bombay had recently been considering an extensive scheme of housing for the benefit of the working classes (Hear, hear)

The CHAIRMAN Ladies and gentlemen, we are all deeply indebted to Dr Slater for the excellent paper which he has read on this important subject The proof of its soundness is that not one single position in it has been challenged It gave me great satisfaction to hear from Mr Pillai that Dr Slater had founded a new school of economics in Madras, facing the real problems in India That was my own impression, and I was very glad to have it confirmed from such a source

Now, with regard to protection the Free Trader always has the best of the argument, but he never succeeds in persuading any other nation, and that apparently is still the case here I must say I think the practical objections to Protection are perhaps the most hopeful factor Dr Slater has pointed out that it involves a sacrifice of revenue, and other speakers have pointed out that this loss of revenue by the abolition of Excise duties, etc., is by no means to be made up by any increase of land revenue That is one of the few aspects of the question on which I feel myself competent to express an opinion, it has been quite impossible for anyone to sit for years, as I have done, in an Indian Court, without recognizing that what the Indian is really sensitive about is any increase in land revenue, and I think the recent small constitutional crisis in Madras, when the Legislature refused to allow the Government to bring in an Irrigation Bill, was entirely due to the fact that it involved such an increase in the shape of water rate That is an instance of the very great difficulties which would confront anyone who attempted to make up the existing Customs duties by an increase in land revenue I do not think there is anything more to be said beyond, in conclusion, expressing our indebtedness to Dr Slater (Hear, hear)

The LECTURER, in thanking them all for the very cordial way in which they had received his paper, said that his only regret was that there had been something lacking in the way of opposition and criticism. He felt that he had rather trailed his coat, but without provoking the proper pugilistic retort, and therefore he would confine himself to two points which had been raised in the discussion.

Firstly, with regard to the ratio of land revenue to gross output, perhaps he ought to explain where the estimate quoted came from. For some years in Madras they had had the advantage of having as Director of Agriculture the late Mr G. A. D. Stuart, who was a very keen mathematician, and who took special pains to improve the collection of agricultural statistics. On his initiative the improvement of Indian agricultural statistics was specially considered at the meeting of the Board of Agriculture at Pusa in December, 1919, and the result was a recommendation that each agricultural department should add to its staff a statistical officer. The Government of Madras acted on this recommendation, and the officer appointed took special pains to make the best possible estimate of the output of all crops and the prices realized, and the result, leaving out such things as straw and horsegram which are consumed productively on the land, and also leaving out toddy, which perhaps should have been included, was that the value of all the crops raised came to a little over 300 crores of rupees in 1920-1. The land revenue for the same year was exactly 6 crores, or just 2 per cent of the output. The Lecturer was rather surprised at this result, as previous enquiries had led him to the conclusion that the land revenue was about 4 per cent of the gross output, but the estimate of the statistical officer was so carefully made that it must be accepted as the most reliable one ever made for any part of India. There was an extraordinary difference between the assertions that are widely made about land revenue and the actual facts. Before going to India he had heard much to the effect that it was a crushing burden, frequently exceeding the economic rent. When he got to India, the first landowner he asked told him that he got in rent seven times what he paid in land revenue, and this was a typical experience. Later he discovered land in the Arcot district of Madras which brought in 300 rupees per acre per annum rent, and only paid 3 rupees land revenue per annum. Land revenue had greatly shrunk, and as it shrank there was more opposition to it. It was a case of—to him that hath more shall be given or else he will be very discontented. In old days, when the State took a substantial part of the produce, it was recognized that the State was a part-owner of the land and entitled to the revenue. Now the State takes so little that the landholder considers himself sole owner and regards it as an unjust imposition that the State should take anything.

At one time he did think he saw a gleam of hope with regard to getting more revenue out of the land. A friend of his, who was a keen student of economics, and the Secretary of the Madras Ryotwari Landholders' Association, got the Association to put forward the proposal for a reform in the system by which first there should be a permanent settlement of ryotwari

holdings, to put them on an equality in that respect with Madras zemindari holdings, which were permanently settled a hundred years ago, and then whenever the Presidency required extra funds they were to be raised by a tax upon the larger and bigger properties. Whether there was any hope of any thing being done in that connection he did not know, but it would be a great advantage towards the economic fiscal balance of India if, on the one hand, permanent settlement were made universal, and, on the other, the exemption from income-tax of incomes from land were abolished. This might have been done under the old Constitution, but hardly under the new, which gave overwhelming power to the landholding class.

The second question which he would like to touch upon was Assuming that Protection is not the right way of fostering Indian industries, what other means should be adopted for that purpose? He would recommend a more vigorous prosecution of various measures already initiated. Much more might be done, in the way of improving communications, by more railways, and more and better roads and canals. There was undoubtedly an enormous amount of work to be done with regard to improved hygiene. Then, again, one of the causes of economic backwardness was the disinclination of the people to save, and their inclination to spend their income before they got it. That was being attacked by the system of Co-operative Banks, which combined with a great expansion of ordinary banking, for which provision was made by the establishment of the Imperial Bank of India, were likely to be a very much more powerful influence for industrial advancement than the mere difference between Free Trade and Protection. There was a great need in India to more fully vitalize the educational system, and to bring it more closely into touch with life. In this field already a great deal of important work was being done, particularly by the Missionary Societies.

Then, he would like to suggest that those interested in the welfare of India should not relax their search for profitable and stimulating industries which could be carried on in the villages as a supplement to agriculture, so as to utilize the waste time of the agriculturalist. There was a vast unused asset in that waste time which ought to be utilized. At one time it was utilized by hand spinning, but it still remained a possible source of wealth and support, which would give extra resources just where they were most needed. (Hear, hear.)

LORD PENTLAND said they ought not to part without according a very hearty vote of thanks to the Lecturer, and also to Sir John Wallis for having so kindly consented to occupy the chair. (Hear, hear, and applause.)

MALAY PSYCHOLOGY

BY PHILIP COOTE

OF the many races which live in the East none is so little known to the dweller in the West as the Malay of the peninsula and archipelago bearing that name

Possibly this is due to the fact that, until the rubber boom arrived, few knew much of Malaya, except perhaps for a passing glimpse of Singapore or Penang, neither of which are actually on the peninsula but on islands. Vague and erroneous ideas existed about Malay pirates, but little more was known about the strange inhabitants of a wonderful country, rich in mineral and agricultural wealth.

Opinions differ as to where the truest Malay lives, for he is found in Madagascar as well as in Asia, where he is very widely distributed. With such a scattered population, it is not altogether surprising to find that racial features, customs, and language vary largely in different parts. Words differ in the various Malay States, with the result that they become entirely changed in a very short time, and to a far greater extent than they do in British county dialects. It is usual to ascribe to the Malacca Malay the purest descent and language, but this point is often argued, and both Kedah and Perak have a considerable number of supporters.

It is usual to attach to the Malay the negative quality of laziness as his salient characteristic. To a certain extent this is true, but there is generally a method in his supposed hatred of hard work.

However, if a Malay is given a piece of work to do, he does it conscientiously and to the best of his ability. He makes an excellent "boy," cook, gardener, or chauffeur, but in order to understand him and speak to him a knowledge of Malay is essential. The average Malay does not learn English, though the higher class Malays, many of whom have been educated in England, speak it well. Centuries of life in the humid heat of the Malay Archi-

pelago has taught the *orang Malayu* to do his work with a minimum of labour, and it is because he has had the sense to learn this lesson well, that some regard him as lazy. In some parts—the Padang district of Sumatra, for instance—matriarchy exists, the men being too lazy to worry about anything. The women do such little work as is done, while the men do nothing, and all property passes from mother to daughter. This is not usual, however, and is only found in isolated cases.

If the *orang puteh* (white man—*i e*, Englishman) wants to catch a rhinoceros which has been damaging his crops, he goes to endless trouble and expense in his endeavours to put an end to that animal's depredations. He will go to most unnecessary ends, tramping about with a gun, to bring that rhinoceros to earth, and perhaps it will take him days. He may even fail in his hunt. Not so the Malay. He has his own labour-saving method of snaring the animal, and, since it is of primary importance that the rhinoceros should be caught, and since sport is but a secondary consideration, he sets a trap.

In the vicinity of the beast's depredations he will dig a pit, big enough to hold the prey and sufficiently deep to ensure the victim not escaping. The pit is baited and in due course the rhinoceros wanders into it. The question then arises as to how the brute shall be removed, for to lift it would be far too much like hard work so odious to the Malay, and it is sometimes possible to raise a good sum on a live rhinoceros. In its natural anger at finding itself trapped, the rhinoceros pounds away at the floor and sides of the pit, thus loosening the earth, and raising it to the level of the ground. In the meantime the Malays have not been idle, for at their own convenience and in their own time they have erected a strong cage, made of jungle-wood, etc., over the pit in which their captive is. The prisoner is safely caged, and the next problem that arises is how to move him and his cage. This is done by passing a long, strong pole between the legs of the animal, and so steering him, with the cage, to the desired haven. This is typical of the Malay's ingenuity in avoiding unnecessary

labour, and might be amplified in a number of other ways especially fishing

For fifty years the *orang puteh*, and for much longer than that the Chinese, have been delving for tin, but the Malay has no desire to exploit his country's natural wealth. The British have made roads and railways, surveyed the country, and developed the land in every conceivable way, while the Malay has watched. The *orang China* has set up his *kedes* (shops) and *godowns* (warehouses), but it is seldom that one comes across a Malay *kedes*, unless it be a dirty eating house attached to some wayside *kampung* (hamlet). Yet the Malay cares not. He seldom enters into the busy life of the town, and prefers the jungle seclusion of his *kampung*.

Though the Malays, as a race, cannot be considered by any stretch of the imagination a progressive race, yet the upper classes are most enlightened and anxious to learn. They fully realize the benefits to be obtained from a European training, and not a few of the *raja* class have been educated at one of the English Universities, where they have had Western ideas instilled into them and the English language, which many speak fluently. At Kuala Kangsar, the Malay capital of the State of Perak, stands Malay College, a fine, imposing building, where the young Malay is educated on the lines of an English public school. It is in fact, modelled as far as circumstances and conditions will allow, on our great institutions the public schools. But if the upper class Malays have a leaning towards Europeanization, the general trend is not so. In the village schools the young Malay is taught to read and write, and he learns the Koran, but as soon as he leaves school and returns to a wholly country life all is forgotten save, perhaps, the Koran, which the priest ensures he shall remember. Of the Malays, few have the initiative or inclination for the sterner life of a city. Let the Malay alone and he is the most conservative fellow on earth. Yet, once instilled into his mind the benefits of Western civilization and he is eager to improve himself. But perhaps the Malay is more delightful as he is. Few but the actual *raja* class can stand civilization, and the majority lose the charm of their simplicity when they start to adopt Western methods.

In remote ages Malays were Hindus, now they are Muhammadans. Few ever become Christians, so well are they looked after by their priests, and a visit to a Christian place of worship of any denomination seldom reveals a Malay among the congregation. Like most Orientals, the Malay is remarkably superstitious, and it is extraordinarily difficult to get an idea which has once been introduced to the Malay brain out again. Some seven or eight miles from Kuala Kangsar, just off the main road to Taiping, which is twenty-one miles further, there is a rough mound, surrounded by a stone kerb, in the grounds of a European planter's bungalow. It is obviously a burial-place, and legend has it that the body of some big Malay *panglima* (fighting chief), who was slain in battle on the adjacent mountains, lies there. Malays flock to this shrine all through the year, and from all parts of the country. Ramadhan, the month of fasting, is the time when most pilgrimages take place and the devout place little candles and streamers of coloured paper on the grave.

Temperamentally, the Malay is taciturn, and he is not easy to engage in a general conversation. But he is most polite. Meet a Malay on the road and he has invariably got a "*Tabek*" ('Good day') for you. The *orang puteh* is a good friend to "*Mat*", the name generically applied to Malays as John is to the Chinaman, and he knows it, and moreover has the courtesy to acknowledge it. As a rule the Malay is kind to women and children, but should he run *amok* he is a veritable terror. Fortunately he seldom runs *amok* in these more enlightened days, but his passions, once aroused, are quelled with difficulty.

The Malay of to-day is not the violent, bloodthirsty piratical person he is generally depicted as in books. He likes to be left alone to his own devices and to be allowed to live peaceably and quietly. Then he is *senang*.

FINANCIAL SECTION

THE INDIAN CURRENCY POLICY

By SIR JAMES WILSON, K.C.S.I.

IN the ASIATIC REVIEW for January 1922, there appeared an article by me on this subject, calling attention to the changes which had taken place up to that date. The table on p. 290 shows the state of things on January 31, 1923, the calculations being based on the quotations of that date, among which were the following. In London—price of gold, 88.8 shillings per fine ounce, price of silver per ounce 92.5 fine, 31.4 pence, rate of exchange of the rupee, 16.5 pence. In New York—price of foreign silver, 64.8 cents per fine ounce. In Calcutta, on January 10, 1923, gold was quoted at 26.6 rupees per tola of 180 grains, and fine silver at 82.9 rupees per 100 tolas.

In the table on p. 290 I have entered as one of the dates January 31, 1920, because it was immediately after that date—namely, on February 2, 1920—that the Secretary of State made his momentous announcement that he would aim at giving the rupee a fixed value in exchange of one rupee for 113 grains of fine gold—that is, one tenth of the gold content of the sovereign. The other dates in the table are exactly two years and three years after January 31, 1920.

On January 31, 1920, the value of the British paper pound sterling, as shown both by the rate of exchange with New York and by the results of the sales of gold in London with freedom to export, was nearly at its lowest, being then equivalent to 82 grains of fine gold—that is, 72 per cent. of the 113 grains contained in a sovereign—in other words, it was worth only 14s. 5d. measured in gold.

As a result of the policy adopted by the British Government, which aimed at the restoration of a free market in gold in London, and would ultimately lead to the restoration of the paper pound to the value of a sovereign, the value of the paper pound had by January 31, 1922, risen to 99 5 grains of fine gold—equivalent to 88 1 per cent. of the gold in a sovereign, and during the next twelve months there was a further improvement, until on January 31, 1923, the price of gold in London gave the paper pound the value of 108 1 grains of fine gold, which is 95 7 per cent. of the 113 grains in a sovereign—an improvement of 8 6 per cent. in the twelve months, bringing the value of the pound sterling in London, in New York, and therefore all the world over to within 5 per cent. of the value of the gold in a sovereign

VALUE OF THE RUPEE MEASURED IN GOLD AND SILVER

	In 1913	January 31 1920.	January 31, 1922.	January 31 1923
Value of the pound sterling in grains of gold	113	82	99 5	108 1
Value of the pound sterling as a percentage of the sovereign	100	72	88 1	95 7
Value of the sovereign (113 grains of gold) in rupees—				
In London	15	11 9	17 5	15 2
In India	15	17	17 9	16 7
Value of the rupee in grains of gold—				
In London	7 5	9 6	6 5	7 4
In India	7 5	6 7	6 3	6 8
Value of the rupee in pence sterling in London	16	28	15 6	16 5
Value of the rupee in pence measured in gold in London	16	20	13 7	15 8
Value of the rupee in grains of silver—				
In London	253	149	197	233
In India	257	157	194	217 *
Ratio of gold to silver—				
In New York	34	15 5	31 3	31 9
In London	34	15 7	30 5	31 4
In India	34	23 5	30 8	32 1 *

* January 10, 1923

During the war, and for some time after the armistice, India was prevented from obtaining her usual supply of gold, and demanded a great increase in the import of silver, which it could practically force the Government to import in order to maintain the inconvertibility of its paper currency. This excessive demand of India for silver, together with the demand from other countries, led to a very rapid rise in the world price of silver measured in gold, and on January 31, 1920, the price of silver in New York was 133 cents per fine ounce as compared with the average price in 1913 of 61 cents—that is to say, on that date an ounce of gold would only command in New York 15·5 ounces of silver, whereas in 1913 it commanded 34 ounces. On the same date the quoted price of standard silver in London was 83 pence per ounce, while in 1913 the average price was 28 pence. On the same day gold sold in London at 117s sterling per ounce, as compared with the 85s per ounce at which it sold before the issue of the practically inconvertible paper currency, so that in London on that day the ratio between gold and silver was 15·7 to 1, or nearly the same as in New York. In India while the import of gold was severely restricted and silver was imported in immense quantities, the value of gold measured in silver or in rupees naturally rose very rapidly with little regard to the ratio between them in the world outside. Before the war the price of gold remained practically constant at about 24 rupees to the tola of 180 grains—that is, 7·5 grains to the rupee, and the price of the sovereign was 15 rupees. But in the beginning of September 1919, gold was selling in Bombay at 32 rupees per tola (5·6 grains to the rupee), which would give the price of the 113 grains of fine gold contained in the sovereign as 20 rupees. By January 31, 1920, the price of gold in India had been brought down to 27 rupees per tola—that is, 6·7 grains to the rupee—while on the same date the rupee was quoted in London at 28 pence sterling compared to the pre-war rate of 16 pence per rupee. As

the pound sterling was then worth only 72 per cent. of a sovereign, this means that on January 31, 1920, a rupee would buy in London 96 grains of fine gold, while in India, owing to the restricted supply of gold, a rupee would buy only 67 grains, and on that date, while both in London and in New York an ounce of gold would buy only about 155 ounces of silver, it would in India buy 235 ounces

On February 2, 1920, the Secretary of State announced that he would aim at giving the rupee a fixed value in exchange of 1 rupee for 113 grains of fine gold, that the sovereign would be made a legal tender in India at the ratio of 10 rupees (instead of the pre-war ratio of 15 rupees) to one sovereign, and that the import and export of gold would soon be freed from Government control. Accordingly since July 12, 1920, India has been able to obtain as much as she wants either of gold or of silver. Her demand for silver has now become normal, and as other countries also, such as China and South America, had been prevented from obtaining the gold they wanted and were now able to satisfy their requirements, and thus increase the world's effective demand for gold, while at the same time reducing its effective demand for silver, the consequence of this removal of restrictions was a rapid fall in the value of silver as measured in gold, and by January 31, 1923, both in New York, in London, and in India an ounce of gold commanded about 32 ounces of silver—or much the same as the pre-war ratio of 1 ounce of gold equal to 34 ounces of silver.

On January 31, 1922, the exchange value of the rupee in London was 156 pence sterling—or much the same as before the war, as compared with the 28 pence which it had reached on January 31, 1920, before the announcement of the Secretary of State's new policy. On January 31, 1923, it was 165 pence sterling, but as the paper pound was then worth only 95.7 per cent. of the sovereign, this means that on that date the value of the rupee, measured in

gold, in London was only 15 8 pence, as compared with 16 pence before the war. Still this is a substantial improvement on its value a year before, when, measured in gold, it was worth only 13 7 pence. On January 31, 1923, it was worth in London 7 4 grains of fine gold, as compared with 7 5 grains it was worth before the war, and as compared with the 9 6 grains it was worth in London on January 31, 1920. Thus it has nearly attained the value in international exchange as measured in gold which it possessed before the war, but is still very far short of the value of 11 3 grains of fine gold aimed at by the Secretary of State in his announcement made three years ago.

Under recent legislation the rupee is at present legal tender in India for only 10 rupees, but as anyone can get for it in the bazaar over 16 rupees, no one is likely to tender a sovereign for 10 rupees, and, for the time being, gold, even in the form of sovereigns, is out of the reckoning as regards circulation.

Notwithstanding the danger of increasing the legal tender currency, the Government of India, even before the war, on account no doubt of the profit it could secure by coining silver into rupees, each of which could be issued as a token coin equal in value to one fifteenth of a sovereign, added greatly to the rupee coinage, and during the fourteen years ending with 1913 no fewer than 1 600 million new rupees were coined. Then when, in consequence of the restrictions on the import of gold during the war, it was found necessary, in order to maintain the convertibility of the note issue, to obtain immense quantities of silver from abroad and coin it into rupees during the three years ending with March 31, 1919 the net coinage amounted to no less than 1,034 million rupee coins, making a gross addition to the silver currency since the beginning of the century of over 2,600 million rupee coins, and it may be estimated that there are at present in existence about 4,000 million rupee coins.

The total quantity of currency notes has at the same

time been greatly increased from 661 million rupees on March 31, 1914, to 1,742 million rupees on December 31, 1922. Apparently, then, the total amount of legal tender money, apart from gold, now in India, is about 5,706 million rupees, or about 18 rupees per head of population. The addition to the quantity of rupees and notes since 1914 has been, approximately—rupee coins 1,034 million, notes to the value of 1,081 million, total increase 2,115 million rupees.

When the people of India have more rupees than they have an immediate use for, whether for purposes of circulation or hoarding the rupee coins flow back into the Government Treasuries, and the quantity of silver coin and bullion held in the Currency Reserve in India has increased from 205 million rupees on March 31, 1914, to no less than 866 million rupees on December 31, 1922—more than one fifth of all the rupee coins in existence, the increase during the past year being 126 million rupees, which affords strong evidence that the total amount of rupees and notes is at present much larger than India really requires for all purposes. It seems now clear that the Government of India made a great mistake in issuing so many rupee coins and currency notes, and that it would have been much more advantageous if they had kept down the quantity of legal tender currency, and so kept up the value of the rupee, whether measured in gold or in sterling or in commodities, and prevented the rapid rise in rupee prices in India.

The Babington-Smith Committee of 1919, on the basis of whose report the Secretary of State made his announcement of February 1920, seem to have supposed that the gold value of silver would continue at such a high rate as to support a rate of exchange of the rupee much higher than the 16 pence which had been the standard for a number of years before the war, and if they had foreseen that the price of silver and the exchange value of the rupee would fall so rapidly within the next three years, it is very improbable that they would have encouraged the Secretary of State to

aim at making the rupee worth 24 pence in gold. The warning which I submitted to the Committee in July 1919, when the price of silver was 53 pence per ounce, that by 1922 its price might be as low as 30 pence, was practically fulfilled, as on December 15 last it was quoted in London at 30 4 pence. It seems probable that there will soon be a further fall in the value of silver, whether measured in gold or in rupees or in commodities. Of the 208 million ounces which the Government of the United States have to replace in accordance with the Pittman Act, 149 million ounces have been bought, leaving a balance of 59 million ounces, which at the rate at which purchases have recently been made, should be completed next autumn. Thereafter it is probable that the whole of the American produce will have to compete with the rest of the world production in a free market, and will be added to the world's available supply of silver. At the same time the world's demand for silver is likely to go on decreasing, and it seems probable that the price in New York, which is at present about 65 cents per fine ounce, will fall below the price of 61 cents, which was that of 1913. (It is to be remembered that so recently as 1915 its price was only 51 cents per fine ounce.) Any fall in the price of silver that may take place will increase the temptation to counterfeit rupees, and any further rise in the exchange value of the rupee coin, whether or not it is accompanied by a fall in the present price of silver, will also increase that temptation and make it more and more difficult to maintain the exchange value of the rupee.

As in the case of all inconvertible currencies, the value of the rupee, whether measured in gold or in commodities, now varies according to the relation between the demand and supply of rupees and the demand and supply of gold or of commodities. The Government of India have now stopped the coinage of more rupees and the issue of additional currency notes, but it is unlikely that the demand for rupees and notes will increase to such an extent as to lead

to a further marked improvement, unless measures are taken to reduce the present excessive quantity of rupees and notes in existence. It is impossible to imagine that, for many years to come, the rupee will rise in exchange value to the Secretary of State's figure of 11 3 grains to the rupee—that is, one-tenth of a sovereign

A further rise in exchange value of the rupee would be favourable to the Indian finances, in so far as India has to pay external debts in gold or in sterling. It would also tend to cause a fall in prices measured in rupees in India, and would therefore be favourable to all who receive salaries or wages fixed in rupees, and to all creditors in India whose credits are fixed in terms of rupees. On the other hand, it would be unfavourable to all producers of commodities in India, and especially to the great mass of the agricultural population who have produce to sell and to all debtors in India whose debts are fixed in rupees. The fairest and most practicable solution of the question would be to abandon the attempt to raise the value of the rupee to anything like 11 3 grains of fine gold, and to aim at the permanent re-establishment of the pre-war rate of 7 5 grains of fine gold—that is, one-fifteenth of a sovereign, or 16 pence per rupee measured in gold. The Secretary of State should announce this to be his policy, and the Government of India should pass an Act declaring that the sovereign shall again be legal tender for 15 rupees. This would prevent the gold value of the rupee from rising above one-fifteenth of a sovereign, and might lead to the reappearance of the sovereign as part of the currency in circulation in India. Even so, there would still be a danger that, owing to the enormous quantity of rupees and notes in existence, it might be difficult to keep the rupee up to its present rate in exchange of about one-fifteenth of a sovereign, and it would be advisable to take steps to make a gradual reduction in the amount of currency notes in circulation, and in the quantity of rupee coins in existence in the manner recommended in my previous article, where I have shown that

the Government of India is in possession of ample resources to enable it to make such a reduction. If this were done, there is reason to hope that the rupee would again be stabilized at its pre war value of one-fifteenth of the gold in a sovereign, to the great advantage of India's trade and in the interests of justice as between creditors and debtors.

HISTORICAL SECTION

THE EMBASSY OF SIR WILLIAM NORRIS, BART, TO AURANGZEBE

BY HARIHAR DAS, F R S L., F R H I S T S

CHAPTER I

THE NORRIS FAMILY SIR WILLIAM'S EARLY LIFE AND PARLIAMENTARY CAREER

THE East India Company in the seventeenth and the earlier part of the eighteenth centuries appointed the staff for its various factories in a more or less haphazard manner, and it was inevitable that they should come from different classes of the community. A few were representatives of the old county families, many were sons or other relatives of the City merchants who, as subscribers of the Company's stock, had started the enterprise of trading with India and the East, and kept it going while another and the most numerous class of all was recruited from the ships' supercargoes, who were easily induced to remain in India for at least a time. The result was that "the servants of the Company, as they were called, were typical representatives of the commercial community of England, then emerging into marked prominence, and attracting to its ranks the most energetic and adventurous persons in the country. In no sense of the word could these men be called officials. They were merchants and traders alone. Their activities were concentrated in the local markets, their success or their failure was recorded in their journals and ledgers. That was the test of their merit with the Company, and of their profit for themselves. The ventures and prizes of the pursuit captured the imagination and appealed to the desires of a wide circle,

so that, speaking broadly, the Company had no difficulty in obtaining the services of men of a thoroughly respectable class, and even in the earlier years of its existence manyscions of the best families were to be found in its employment.

The new English Company derived a great advantage at the beginning of its enterprise from the co-operation of a royal ambassador so well qualified and of such a distinguished family as Sir William Norris, who was charged with the special task of pushing its interests at the Court of the Great Mogul. Indeed, the selection of such a man for the mission was a signal proof of King William's great desire to favour the new Company, for the old Company had enjoyed no such advantage since the despatch of Sir Thomas Roe on a similar errand by James I. This reason explains why it is thought appropriate to give at some length an account of the very ancient Norris family of Speke and all its ramifications, which had a very distinguished record in the public service of the country not easily to be surpassed by any other at the time with which we are dealing.

The village of Speke lies on the northern bank of the Mersey, a few miles east of Liverpool, and still remains an agricultural district. There is no village to speak of, only a few cottages near the modern church, but Speke Hall is among the famous houses of the county, being one of the best examples of "black and white" architecture remaining. The house is built round a rectangular court, and was surrounded by a broad moat. This is now drained, and filled in on the south side—i.e., the side towards the river. The principal entrance is on the north side, the moat there being crossed by a stone bridge. The building is of various dates, some parts may go back to the fourteenth century, but the bulk is of the sixteenth century, and the house now is probably much the same as it was in the time of Elizabeth.*

* There is an interesting illustrated account of the house by Mr Herbert Winstanley in vol. lxxi of the *Transactions of the Historic Society of Lancashire and Cheshire*. Also in the *Country Life* for January 14 and 21 1922. See also "*Victoria History of Lancashire*," vol. III., Archibald Constable and Co., Ltd., 1907.

The Lancashire family of Norris was one of great distinction, even from the days of the Plantagenets. The founder was one Hugh le Noreis (*z.e.*, Norwegian), to whom King John, before his accession to the Crown, gave the manor of Blackrod, near Bolton. The owners of Speke for over five hundred years were a junior branch of his family, not becoming extinct in the male line there until the middle of the eighteenth century. From them came another distinguished family, that of Norris of Rycote. It would be difficult to name one that produced so many remarkable servants of the State as it did during the whole of the Tudor period. Henry Norris, to go no further back, fell from his position as favourite with Henry VIII during the proceedings against Cardinal Wolsey, to become the object of that monarch's wrath on very slight evidence of an intrigue with Anne Boleyn. No one at Court credited the charge, but some victim had to suffer for the King's plans, and Norris lost his head in the Tower in 1536. In reparation of this injustice his son Henry was soon afterwards created Baron Norris of Rycote, and long enjoyed the favour of Queen Elizabeth, who sent him as her ambassador to Paris.

This Henry was a man of discretion and peace, but his six sons were described as 'a brood of spirited, martial men.' They justified the appellation in many different scenes of war—in the Netherlands, for instance, and in Ireland. Of these sons the second, John, was the most successful commander the English sent to help William the Silent against the Spaniards, and his next brother, Edward, died Governor of Ostend in 1601. Queen Elizabeth used to address the latter as "Dear Ned." His great estates in Berkshire passed to his nephew William, third Baron Norris, who was created by James I Earl of Berkshire. He had the misfortune to kill Ford Willoughby d'Eresley in a duel, and to be sent in consequence to the Tower, from which he was released on payment of a fine.

Finding himself in disgrace at Court, he retired to his seat at Rycote, in Oxon, and, brooding over his downfall, shot himself with a cross-bow

One of the most prominent members of the original family was the Sir William Norris who was Lord of Speke in the time of Henry VIII. He took part in the invasion of Scotland in 1544, and brought back as part of his spoil some printed folios, now preserved in the Athenæum Library at Liverpool. Edward, his son and successor, is commemorated by an inscription at the Hall, as having built a portion of it. His son, Sir William, was made a Knight of the Bath by James I at his coronation. His eldest son having died without children he was succeeded by his second son, William, who died in 1651. This William appears to have taken no part in the Civil War, but two at least of his sons fought on the King's side. One of these was Thomas Norris, his successor, who had to compound with the victorious Parliament for his offence by a fine of £508. He appears thenceforward to have led a quiet and obscure life, but his son Thomas, who succeeded him about 1686, served as Sheriff of the County in 1696, and was Member of Parliament for Liverpool, as a Whig, in 1688 and 1689-95. We find the following account in the *History of Liverpool*, which amply testifies to the chivalry of the family. "In the reign of Edward III in the naval expedition fitted out against France, Liverpool was required to furnish one small vessel or bark, to be manned by six mariners, the city of York at the same time was required to supply one vessel and nine men, and Portsmouth five ships and ninety-six men. Most of the other ports in England were also ordered to provide a certain number of vessels. The expedition was headed by King Edward in person, attended by his son Edward, the Black Prince, Henry, Duke of Lancaster, and a great number of the knights, barons, and esquires of the county of Lancaster. Amongst these the families of More of Bank Hall, Molyneux of Sefton, and Norris of Speke were

particularly distinguished."* It is interesting to note that the former two families were still more important in the county for their munificent gifts to the city of Liverpool. The families of Thomas Johnson and William Clayton were also well known

Sir William Norris, Bart., second son of Thomas and Katherine Norris, was born in 1657 at Speke Hall. His parents had in all seven sons and four daughters, namely, Thomas,† William, John,‡ Henry,§ Edward,|| Jonathan,¶

* See p. 46 of the "History of Liverpool" by T. Troughton. Liverpool: William Robinson, 1810.

† Thomas, M.P. for Liverpool, 1689-90, 1690-5, was sent to the Convention Parliament of 1688, and chiefly to his efforts was due the granting by William III. of the Charter of 1695, which procured great benefits for the town of Liverpool. He was a Whig, and in 1696 served as High Sheriff of Lancashire. He married Magdalene, second daughter of Sir Willoughby Aston. Thomas's only child Mary became heiress to the whole Speke property. He died at Harrogate in June, 1700.

‡ John was sent to sea, and was a man of intemperate habits. There is a certain amount of discrepancy about John Norris in the "Dictionary of National Biography." Heywood says in the "Norris Papers" of the Transactions of the Chetham Society that John was in the merchant service, but that is the only link, and apparently he came out of it, and lived in Lancashire till he died, fairly young. He also gives a few facts about this John as a spendthrift and wastrel. It is true that Sir William had a brother John, who was, according to the Heralds' Visitation of 1664 of Lancashire, aged two years on September 23, 1664, when Thomas Norris, of Speke, attested to that fact, (Sir) William being then aged six (Chetham Society, vol. lxxviii). The article in the D.N.B. on "Sir John Norris" is by Sir John Laughton, a great authority on the navy. He says Sir John Norris was 'apparently' the third son of Thomas Norris, of Speke, but later on he says, *a brother* of Sir William Norris. We have not been able to clear up the identity or parentage of Sir John, but it is not credible that he was a son of Thomas, of Speke. If he had been, he would have become heir to the estates, and it is certain he did not. Some pedigrees—e.g., Ogmerods in vol. II. of the Transactions of the Historic Society of Lancashire and Cheshire—say John, the brother of Sir William, died without issue, and there is no reason to doubt this. The reference given in the D.N.B. to Baines's "History of Lancashire," vol. III, p. 754, only shows that Sir William had a brother John, but he was never knighted.

§ Henry, M.A., B.D., was a clergyman, and was educated at Brasenose College, Oxford, and became a Fellow.

|| Edward, educated at Brasenose College, Oxford, M.A., June 1, 1689, B.M., January 19, 1691, and M.D., March 12, 1695, practised in Chester. He became a Fellow of the Royal Society in 1698. He went as secretary to his second brother in India. On his return from India, he resided for a while at Utkington, near Chester, and in 1705 married the daughter of William Cleveland, of Liverpool. He became a member of Parliament for Liverpool on February 7, 1714-15. He died on July 22, 1726, and his remains were interred in the chapel of Garston, dedicated to St. Michael.

¶ Jonathan, born at Childwall, February 1, 1667.

Richard,* Margaret, Ann, Katherine, and Elizabeth The mother, Katherine Norris, was a remarkable woman, she was the fourth daughter of Sir Henry Garraway† Katherine Norris seems to have been a business like woman, strong-minded, and deeply religious. She was withal a woman of charitable disposition, who before her death made a will, dated November 13, 1705, in which she left personal gifts to her sons and daughters. Her share of the third part of the ancestral property she left to her sons Edward and Richard Norris and their heirs. She also left to Richard a meadow in Halebanck, co Lancashire, called the Walpole and Barrow Platt Further, she gave Edward all the household goods within the dwelling-house or Hall of Speke "which shall remain there all the time of her death," except such part thereof as shall be inserted in a schedule to her will She was not only contented to distribute her property amongst her children, but over and above she bequeathed sums of money to the poor present at her funeral and servants of the house Her youngest son, Richard, was made the sole executor of her will, and it was proved on February 3, 1707

William Norris was elected eighth into Westminster School in 1672 He remained a King's Scholar until 1675, when he was the third of those elected to Cambridge. Among those who were King's Scholars at the same time as Norris were Francis Atterbury, afterwards the well-known Jacobite Dean of Westminster and Bishop of Rochester, and Lancelot Blackburne, afterwards Arch-

* Richard was Bailiff in Liverpool in 1695, became Mayor in 1700, and M.P., 1708 to He was Sheriff of Lancashire in 1718 He was most active in Liverpool affairs, and was a close friend of Sir Thomas Johnson

† Sir Henry Garraway was on the Committee of the East India Company from 1614-43 He became Deputy-Governor of the Company in 1636, which he held until 1639, when he was elected Lord Mayor of London, and held that position about a year He was knighted on May 31, 1640, and was appointed Governor of the East India Company in 1641-3 He had incurred considerable unpopularity owing to his royalist leanings and opposition to Pym and his followers His death occurred in July, 1646 See "The Aldermen of the City of London," vol. II., by A. B. Beaven, London, 1913

bishop of York. He came to Westminster under the great headmaster, Dr Richard Busby, who was headmaster from 1638 to 1695. It was Busby's proud boast that he had educated most of the Bishops at the time of his death, and among his famous pupils had been Sir Christopher Wren, John Locke, John Dryden, Bishop Trelawny (one of the seven Bishops), Matthew Prior, Charles Montague, Lord Halifax, and very many others. Dr Busby perhaps did more than anyone else to found the Public School system as we know it to-day, and to induce the great families to send their sons to Public Schools rather than to educate them by private tutors. He is remembered as the great flogging headmaster, but he was loved by his boys even while they feared him. After finishing his career at Westminster, William was admitted into Trinity College, Cambridge, on June 25, 1675, under Mr Boteler (alias Butler) as tutor, matriculated in 1675, was elected scholar in 1676. William Norris was somewhat of a poet, and as an undergraduate in 1677 contributed a poem in Greek to the volume of poems, entitled *Epithalamium*, addressed by the University of Cambridge to Charles II on the marriage of William Henry, Prince of Orange, with Princess Mary of England. We quote the poem with a translation

* Ἡρι τις εἰπατερεια κορη, τὸν αἶνον αἰδεῖν,
 Ἡ δινεται θαλαμοῖς, ὧ χαρισσα, τοῖς
 Ἡρα τις ευγει εὖς δινεται τὰ γενεθλια παιδὸς
 Καὶ χαριτας γλῆκεροις οἶμας ἐφεξομας,
 Οἱ δελεται λεπτῇ τὰ μμυγμενα χυρματ αἰδη,
 Δισσῶ τ οἶδαλεν κιματι γηθοσινην *

W NORRIS *Coll Trin*

He graduated B A in 1678, was admitted a minor Fellow of Trinity College on October 3, 1681, and M A in 1682. He became a major Fellow on July 7, 1682.

- * "High born maid, can any worthily sing thy praise
 Or thy nuptials, O beauteous one?
 Can any duly render the hereditary gifts of the noble youth
 And the graces dwelling in his charming eyes?
 No feeble song is fitting for these mingled joys,
 Delight full swelling with a double wave.

He drew his fellowship dividends up to Christmas, 1690. He held no college office, but acted as tutor to one man (*viz.*, John Taylor), admitted in 1687. William Norris was one of the delegates appointed by the Regent House in 1687 on the question of James II being petitioned to revoke his mandate for a degree to Francis, the Roman Catholic. On February 9, 1686-87, came a letter of James II ordering the University to admit one Alban Francis, Benedictine, to the degree of Master of Arts without administering any oaths, the King dispensing with the observance of the statutes on this occasion. The Vice-Chancellor wrote to the Chancellor (the Duke of Albemarle) to ask whether the King could be induced to revoke the mandate, the Duke in reply said a petition from the University might have some effect. At a congregation of the Senate of the University on February 21, it was resolved to send Dr Smoult, Professor of Casuistical Divinity, on behalf of the "Non-Regent" house, and Mr Norris, Fellow of Trinity College, on behalf of the Regents (At that time the Senate was divided into two "houses" — the Non Regents or seniors, and the Regents or juniors). They were to say that the Senate thought the admission of Mr Francis without the usual oaths to be illegal and unsafe, and wished the King to be petitioned about it. A second royal mandate was received (read March 11). The Senate proceeded as before. On April 9 the Vice-Chancellor and Senate (by deputies) were summoned to appear before the Ecclesiastical Commissioners. The Vice-Chancellor and eight deputies (including Dr Smoult, but not William Norris) appeared accordingly before Lord Chancellor Jeffreys and other Commissioners. On May 7 judgment was given that an act of great disobedience to the King's commands had been committed, and therefore the Vice-Chancellor was deprived of his office.*

William Norris also wrote a poem while at Cambridge

* See *The Cambridge Case*, London, 1689 (British Museum, in a volume of "Law Tracts, No 24).

on the elevation of Princess Mary to the throne in 1689, in a volume called "*Musæ Cantabrigienses*"—poems addressed to William III and Mary by members of the University of Cambridge, on the Revolution. The poem is ambitious, and even endeavours to claim William as a genuine Englishman!

" Et tamen Herôem servandis gentibus ortum
Anglia, cui merito rerum dedit esse potenti,
Vindicat atque suâ jactat de stirpe creatum,
Maternâ de stirpe suum, Dis namque secundis
Tallem illum Auriaco Patri tulit Anglica Mater
Hinc animi, hinc virtus, & claris dextra factus
Nec tu carminibus Regina, silebere nostris,
Una Viro digna illustri sceptrisque Britannis
Formosæ Leges consuerunt ponere mundo
Præcipue magnorum animis regnare virorum '

William Norris married on December 13 1689 Eliza beth Pollexfen of St Clement Danes widow of Nicholas Pollexfen and previously of Isaac Meynell, son of Godfrey Meynell of Willington, co Derby She was a daughter of Alderman W Reade, of London By the first husband she had a daughter, Eliza, who married (1) Robert Hale, and (2) the Hon Robert Cecil By Nicholas Pollexfen she had a son of that name Lady Norris was a woman of fashion, although illiterate, and connected with the Lord Ranelagh, whom the Tories so long attempted to drive from office

William was admitted a Freeman of Liverpool on November 7, 1694

[EDITORIAL NOTE—Mr Das has been engaged for some time in collecting materials for writing an account of the Embassy of Sir William Norris, Bart, to Aurangzebe, the Great Mogul and the above article is an outcome of his researches A fuller account of the Embassy will be published later]

(*To be continued*)

ECONOMIC SECTION

THE FUTURE OF INDIAN AGRICULTURE

By P PADMANABHA PILLAI

THE triple panoply of irrigation, co-operation, and scientific cultivation with which Lord Curzon has furnished the Indian peasant, so as to enable him to maintain on a more equal footing his daily struggle on his scanty acres, has indeed stood him in good stead in many an awkward moment, but, far from making him invincible, it has only succeeded in winning for him more lenient terms from the victors. Famine has now to content itself with a far smaller number of victims than of old, evil seasons are now met with increased powers of resistance, and recovery from their effects is encouragingly rapid. In other directions, too, there have been unmistakable symptoms of progress. The linking up of India with the markets of the world and the growth of a brisk export trade have opened out a new era of rising prices, and along with this economic inducement to improve his standard of farming, scientific departments have freely placed at his disposal their expert knowledge and experience of other lands. Land values and rentals have gone up, permanent improvements on the land are steadily being made, innovations in methods and equipment are visibly increasing, and there has been an appreciable rise in his spending capacity. But, considering the almost unique opportunities the ryot has had for reorganizing his vocation on a more efficient footing, and also the length of time during which these external aids to agricultural development have been in operation, it will have to be admitted that the pace of progress "has been very slow, slower than it has been elsewhere, slower than it need be there."

The explanation is not far to seek, for, side by side with

these forces working in the peasant's favour, there have also been some unfortunate influences tending to a contrary direction. A principal defect of the Indian agricultural system is the uneconomic size and the scattered nature of the holdings. They are a direct consequence of the Hindu Law of Inheritance, under which each male member of the joint family has an equal and divisible share in the common property. Thus, on the death of a father with five sons, owning a plot of land in common, the single plot is liable to be split up into five, and if the coparcenary owned, say, five plots, the desire among the coheirs for a mathematical exactitude in division leads them to repeat this five-fold *morcellement* with each one of these plots. Five compact blocks are thus split up into twenty-five, five separate parcels being allotted to each coheir. The Muhammadan Law of Inheritance has also worked but an elaborate system of partition. This process of minute subdivision and fragmentation of holdings is fairly common all over India, and the following typical illustration will suffice to show its disruptive tendency. In the village of Kodaganallur,* in the Tinnevely District, there were

Year	Holdings paying Rs 10 and less in Kist.	Holdings paying more than Rs. 100 in Kist
1882	112	22
1887	140	19
1892	173	18
1901	204	15
1906	239	14
1911	367	11
1916	366	8

Dr Harold Mann tells us that in a Deccan village, the average size of holdings has diminished from 44 acres in 1771 to 7 acres in 1914, and that more than 25 per cent of the plots are less than half an acre in extent †

* "Some South Indian Villages" edited by Dr Gilbert Slater p 221

† 'The Economics of a Deccan Village,' *Indian Journal of Economics*, December, 1916 further elaborated in his "Land and Labour in a Deccan Village," University of Bombay Economic Series, Vol I Mr G F

Sir James Wilson calls our attention to the same phenomenon in the Punjab in his valuable paper on "Recent Economic Developments in the Punjab" (pp 29-30), and Professor Stanley Jevons, of Allahabad, thought the endless multiplication of these tiny scattered holdings so detrimental to agricultural prosperity that he brought the matter before an all-India agricultural conference, and advocated a policy similar to that of the English Enclosure Acts.*

There can be no doubt that, so long as these conditions continue, a speedy advance in farming is almost out of the question. Apart, altogether from the waste of time it involves and the narrow limitations it imposes on a farmer desirous of improving his land or introducing new crops and methods, its effect on the landholders themselves is a matter that has often called forth anxious comment. The men whose holdings are too small to support them, and who spend part of their time in working for others form a large proportion of the cultivators of India. They are, according to Mr G F Keatinge, for many years Director of Agriculture in Bombay, the victims of the conditions which arise from pressure of population on the land, the Indian Law of Inheritance, and the customs arising out of it. Where a man can find employment for his spare time in his own village it is possible for him to keep his holding in a thrifty condition, but, where he has to go farther afield in search of work, this becomes a matter of greater difficulty. As a rule, this man is of less use to himself or to the community than the man who can devote his whole time to his own holding. He knows that he does not depend on his land for a living, and consequently his cultivation is usually inferior and his output less. When the crop is harvested he is in no hurry to exchange an easy life for the more strenuous one of a hired labourer. He hangs about his

Keatinge collects a number of similar illustrations in an Appendix (I) to his recent book on "Agricultural Progress in Western India."

* See his "Consolidation of Agricultural Holdings in the United Provinces," 1918. University of Allahabad Bulletin No 9

home, and reduces his standard of living until he is again driven to look for work by sheer necessity. He has little incentives to strenuous labour, his organization is bad, whether as landholder or hired labourer, and he suffers from the evils of casual and intermittent labour which, in time, reacts on his character. And so long as land continues to be held under these conditions, the path to development must remain barred.*

Some sort of reform is therefore needed to check this downward career, and the most obvious line is to secure that the size of the holding should be such as to maintain its holder. The problem is by no means a new one. Many of the leading agricultural countries of Europe had at one time to confront and overcome it, and their example ought to show us a way out. In Denmark, for instance, the family property was divisible among the coheirs until 1837 when an exception was made, by a law of that year, in the case of peasant farms, whereby the proprietor was allowed to leave the farm intact to any of his children, and a further step towards consolidation was taken by the appointment of Commissions to value and redistribute holdings. In India, legislative and executive interference of this nature is likely to provoke bitter hostility, though it seems reasonable to expect that when the economic advantages of a self-contained farm are brought home to the cultivator, the outcry against the new reform will give place to a grateful acknowledgment of its benefits. A more desirable policy would, perhaps, be to set up convenient and compact model farms, and hand them over to cultivators with strict injunctions against subdivision. Demonstration work of this character would prepare the mind of the cultivator to the proposed change and disarm opposition, while an appreciation of its advantages in the concrete may stimulate an active demand for a larger number of similar farms. It would, however, be idle to expect that laws alone could effect any magical change in the existing customs, unless

* "Agricultural Progress in Western India, pp. 59-61

seconded vigorously by the weight of social opinion "It is possible," wrote the Government of India in one of its despatches,* "for the Government to declare that it will not recognize or record any subdivision below a certain minimum area, but it does not appear to us that such a course would have any material effect in checking subdivision. If a man who owns only the minimum area dies, leaving three sons, the fact that Government will only record the eldest son as the possessor will not prevent the others from remaining on the land as his co-sharers, and will not drive them forth to seek employment elsewhere. As a matter of fact, what Mr Caird suggests [*i.e.*, checking subdivision by this means] is now the actual practice in Bombay, and the result is that a great class of unrecorded partners and subtenants is growing up in that Presidency to an extent which threatens to be a serious evil in the future. Nothing, we fear, will effect the desired result, except the pressure of a dense population on itself, driving out the superfluous members of society to find room in more thinly-peopled tracts. Another reason why so many cling on to the land, even when they have no legal rights over it, is to be sought for in the peculiar structure of Indian society, where the breadwinner is often surrounded by an exaggerated joint family of relatives and relatives relatives, and economic reformers will find that a healthy movement of social reform by which the individual is extricated from all his tangled connections with joint family, caste and village, and set on his own independent footing, is one of the first conditions of material progress in India.

Extra small holdings and an extra large number of people depending on them for livelihood lead us to another characteristic of Indian husbandry—the chronic under-employment of the majority of the cultivators. Visitors to India are often struck with the inertness of the masses and their infinite capacity for taking naps. "There is always

* Despatch No 38, June 8, 1880, "Revenue and Agriculture"

someone resting," says Mr E V Lucas * "In no country that I know of are so many people to be seen stalking idly about during the hours of labour as in India," writes Sir James Caird † This lassitude is the natural outcome of very little to do and plenty of time to do it In the West Indies, we are told a labourer gets thrice the wages of his Deccan *confrère*, but, being more than thrice as efficient it is cheaper to get a ton of sugarcane cut and stripped there than in India, and in cotton-picking an Indian woman does only one half as much as the Egyptian woman, and one-third as much as a woman in the United States. It would, perhaps, be unfair to argue from this that the Indian labourer is relatively inefficient and is incapable of a higher standard of effort He likes a long "spreadover," because with him time is not of the essence of the contract 'The numbers who have no other employment than agriculture are greatly in excess of those required for the thorough cultivation of the land, and, so far as this is the case, the result must be that the part of the population which is in excess of the requirements of agriculture eats up the profits that would otherwise spring from the industry of the community This was the verdict of the Famine Commissioners of 1880,‡ and a comparison of recent figures shows that it holds good to-day The Census returns of 1911 show that India employs one person to every 26 acres of cultivated land (excluding fallows), while the corresponding pre-war figures for Germany and Great Britain are one to 54 and one to 173 acres (inclusive of fallow-land), and both these latter countries are amongst the foremost agricultural countries of the world To prevent social waste, therefore, it is essential that the numbers supported by the land shall not exceed the numbers required for its efficient cultivation

* "Roving East and Roving West, p 4. Methuen, see also M Chailley's *Administrative Problems of British India*" (translated by Sir William Meyer, 1910), p 137

† See his Report on the Condition of India, Vol. II., Famine Commission Report, 1880

‡ Vol I, p 34

This will mean that many who now cling on desperately to their half-acre apiece will have to give it up, and with an extension of the use of machinery such as is contemplated in the Report of the Industrial Commission* still larger numbers will have to swell the exodus from the land. We have heard mutterings against the introduction of machinery in Indian agriculture on the ground that it will disorganize "the entire rural economy of the country"†. But what exactly is this rural economy which its admirers wish to maintain inviolate?—a system of national deterioration where low standards of work of earnings, and of efficiency go round in a vicious circle which prevents the peasant's escape into a freer and more vigorous atmosphere.

An imperative condition of an efficiently re-organized agricultural system, then, is the exclusion from the soil‡ of the vast army of the under-employed and the under-paid and the substitution in its place of a much smaller number of men prepared to put in a fair day's work for a fair day's wage. A small fraction of those thus thrown out of work" could be absorbed in semi-agricultural pursuits, such as preparing the various agricultural products for the market, but the vast majority of them will have to turn to other occupations for a livelihood, for *Industries Agricoles* are primarily intended for those directly engaged on the soil, but who, on account of the intermittent character of their work (depending as it does on the monsoons and the seasons) would otherwise be compelled to sit idle during certain parts of the year. Continuous employment for the farmer can be secured only by dovetailing into the agricultural seasons those of various subsidiary industries more or less connected with his own occupation. In Germany the employment of part time agricultural labourers is much less precarious than elsewhere on account of the organized de-

* See Chapter V, Cmd 51 of 1919

† J Mackenna 'Agriculture in India, p. 29. Calcutta Government Press, 1915. Also M. M. Malaviya in his Note of Dissent, p. 268, Industrial Commission Report.

‡ Note however, Dr G. Slater's warning at p. 10, Vol. I, *Journal of the Indian Economic Society*

velopment of rural industries, and India affords an almost unlimited scope for similar employment. Whether it be in sugar-making or oil-seed crushing, in cotton-growing and pressing, or hemp and jute baling, in rice-hulling, or dairy farming, the cultivator stands to gain enormously by an extension of his business so as to include some of the processes for preparing his produce for the market. The benefits resulting from such a stimulation of agricultural activity are obvious. One of these is the economy in freight effected by reducing a bulky article of little value to smaller dimensions of greater value. Take oil seed, for instance. In 1920-21 it formed 7 per cent. of the total export trade of India, while the average for the quinquennium ended 1914 was 11 per cent. If only it had been crushed in India, the industry would have afforded employment to many, the country might have retained the oil cakes, which make excellent manure and cattle food, and an appreciable saving in freight could have been made. The rehabilitation, on the lines suggested by the Indian Sugar Committee, of the Indian sugar industry, which was started on its downward path by the unfair competition of foreign sugar, first from the West Indies, and later, from Central Europe, will open up another such avenue of profitable employment. The fostering of farm industries such as these will lead, not only to better quality and higher prices, but also to another advantage—the use of machinery. In the sugar industry, particularly, the demand for power driven mills appears to be a growing one. A short extract from the Report of the Agricultural Engineer in the United Provinces for 1919-20 explains the position. “I erected a crushing-mill and oil-engine for a small Zemindar in Gorakhpur District last season. The mill crushes twenty seven maunds (a ton) per hour. The man, after one season’s working, has now come to me for a mill three times the size for next season’s work. He dealt last season with at least one lakh of rupees worth of produce with the plant I erected, and his profits must be in the neighbourhood of Rs. 30,000 for the season’s work.”

The total cost of the plant, engine, and mill, including erecting charges, was only Rs. 5,000 " Such harmonious interaction between the agricultural and industrial processes is now possible only on the larger estates, but the spread of co-operation will enable unions of small farmers to achieve the same ends by concerted effort.

The programme of agricultural development has thus to be worked out step by step The formation of holdings of a reasonably fair size, the crowding out of those who cannot find *full* employment on the land and the fostering of industries akin to agriculture to provide work for the *bona-fide* cultivator in his slack season—this is the threefold line of advance I have here ventured to suggest But will these external conditions alone secure agricultural prosperity, if they do not receive a powerful backing from human energy, the ultimate source of all progress? We have seen how the low vitality of the Indian worker is connected with a low standard of living, and how the recent period of high prices and high wages has been taken advantage of by him not so much to work more and earn more as to work less and to rest more " If each economic advantage gained,' exclaims Mr Keatinge with justifiable impatience is to be the signal for a relaxation of effort, if improved methods of farming are to serve not only to increase the crop, but also to swell the ranks of non-workers, is any marked progress possible?" The failure of the peasant to rise to the occasion and meet the increasing needs of the country has led to a further analysis of the situation, and the present low standard of production has been ascribed to two factors—first, the cultivator being his own *entrepreneur* and, secondly, his personal qualities of sustained idleness As an alternative to the first may be considered the suggestion for the "capitalization" of agriculture with mammoth farms such as would please Sir Daniel Hall's heart worked by an army of labourers under careful supervision Under a scheme of this kind, worked under favourable conditions, the labourer would get regular work and decent wages, while the hope of commercial profit

would stimulate greater output. The answer is that the scheme exacts a prohibitive price for agricultural efficiency. Is it worth while to sacrifice economic independence and submit oneself to exploitation, be it by individuals or by corporations, for the sake of making an industry pay? On the other hand, the exclusive dependence on competitive wages for home and livelihood, the abandonment of all interest in the land, the "unending vista of a gradual process of physical exhaustion in another's service, and the feeling that though he is indispensable, yet it is only as wheels in another's money-making machine"*—would not these undesirable concomitants of commercialism tend still further to depress the labourer and fling him into deeper degradation? Another suggestion is that of Professor Stanley Jevons, who ably argues that "the agricultural organization most appropriate to the stage of social development in India is the landlord and tenant system with fairly large estates, and a certain number of large farms worked by gentlemen farmers"†. He would, in short, transplant on Indian soil the rural system that is falling more or less into discredit in his own land, and which, more than any other, has been responsible for a great shrinkage in the arable area of England during the last half century. And that, with this additional difference that, while the English landlord has played a prominent part in the improvement of farming and stock breeding his Indian colleague has all along been apt to remain a mere rent receiver. In the Zemindari tracts of Bengal, which approximate nearest to English conditions, a competent authority declares‡ that "there is nothing in the contemporary accounts, nor in the subsequent history of management, to show that the extension of cultivation was in any way due to the efforts of the proprietors". Professor Jevons is also inclined to think that the land laws of the last half-century have not always been beneficial in their operation, in that they afford protection

* Lord Ernle's words

† See his 'The Economics of Tenancy Law and Estate Management,' 1921 Bulletin of the Allahabad University

‡ Mr F. D. Ascoli, 'The Early Revised History of Bengal,' p. 80

to the lazy and to the inefficient, and would enlarge the landlord's powers of ejectment. As for this point, it suffices to say that while admitting that there are theoretical objections to giving the tenants the benefits of the three F's, the practical result of such a policy has always been beneficial. In answering an enquiry whether the fixity of tenure of the ryotwari system made the holders thereunder unwilling to expend labour and money on permanent improvements, the Famine Commissioners of 1880 wrote that all the evidence they had gathered tended to show that where the occupants hold of Government, there is no such inclination "but in Zemindari estates, where the occupants have not the protection of this tenure, they are represented as being unwilling to sink their money in these investments"*. And even here in England the Board of Agriculture, in reporting on the Small Holdings Act of 1909, stated definitely that "the establishment of small holdings involves the application of more capital and more labour to the land". There is thus reason to fear that Professor Jevons has not fully considered the evidence bearing on this issue, which everywhere seems to point to the conclusion that "wherever agriculture has reached its highest stage of development, the system of tenure is based upon occupying ownership"†.

It is not, then, in the promotion of agricultural syndicates, or in the bolstering up of a new squirearchy, that the future of Indian agriculture lies. The fact of the matter is that we have been misled by a false diagnosis and have treated the wrong disease. The real bar to advance is not only defective organization, but also the inherent lethargy of the peasant. It is this peculiar mentality that has frustrated the numerous aids to self-improvement which have converged upon him from various directions, this depth of moral apathy which makes him so impermeable to new ideas. This regrettable attitude is due to historical causes, and is traceable to the days of Muslim rule when the demands of the tax gatherer deprived him of all incentives

* Report, Vol. I, p. 112, c. 2591 of 1880

† Sir Henry Rew, 'The Story of the Agricultural Club, 1922

to increased creative effort. Conditions have changed since then to-day the land revenue is theoretically only 50 per cent. of the nett assets, and in reality even less, and it is more lenient in its incidence than at any previous stage of Indian history. But not all the security of life and property the British Government offers to-day, not all the forces of upliftment which it controls and directs, have served to bring home to the peasant's mind the altered conditions. The oppressive days of old had left their impress too deep to become so easily effaced. In addition, then, to an intensified policy of development, there must be sought some means of a more direct appeal which would stimulate and vitalize him to renewed vigour. Great economic reforms have been wrought elsewhere by other than economic causes. Thirty years ago, when Germany nerved herself for a career of expansion, she realized the military importance of growing her own food, and, to the impetus of her national slogan, "Germany must keep under the protection of her guns the ground upon which her corn grows and her cattle graze," is due her subsequent agricultural development, which has been so rapid and so remarkable. Even earlier, in 1864, Denmark crushed by Germany, and deprived of her fairest provinces, made a stern resolve to 'make good by cultivating her garden', and, spurred on by the nation's loss, she started on a policy of conservation and development which has proved so singularly successful. Forces more or less similar are working in India to-day, the advancing waves of Nationalism are producing responsive ripples, even in the land-locked villages, and the great political experiment that the British democracy is trying in India, under which the villager obtains new weight and status, is calculated to stir him from his pathetic contentment, and give him loftier ideals and ambitions, and if one may attempt an estimate of the various influences making for progress, it may well be that the dynamic impulse for national self-expression ignited by the Montford scheme may outweigh all the purely economic forces working in the same direction.

ARCHÆOLOGICAL SECTION

THE TOMBS OF THE KINGS AT THEBES A CHAPTER FROM THEIR ANCIENT HISTORY

BY WARREN R. DAWSON

THE wonderful discoveries made by the Earl of Carnarvon and Mr Howard Carter in the tomb of the Pharaoh Tutankhamen have naturally raised a widespread interest in the burial customs of ancient Egypt. This is not a fitting occasion to describe at length the reasons, both material and mythological, which led the Egyptians to deposit with their dead the elaborate and costly equipment of which the new tomb furnishes so fine an example. Such accounts will be found at length in many excellent manuals on Egyptian archæology. It is sufficient for our present purpose to say briefly that to the ancient Egyptian the physical phenomenon of death merely marked a change of state and the beginning of a new and more permanent phase of existence—a new life in which the soul would require all the luxuries and necessities of its sojourn on earth. The consummation of every successful career was the perfect construction and equipment of the "eternal house" or tomb which its owner would some day exchange for the ephemeral house which he occupied during his three score and ten years on earth.

The special interest in the tomb of Tutankhamen lies in the fact that it is intact, or nearly so, and in this respect is unique, for although on rare occasions the tombs of private individuals have been discovered inviolate, such a thing has never before happened in the case of a royal tomb. The great quantities of jewellery, gold, and other precious articles deposited in the tombs have throughout the ages

made them the object of the greatest cupidity, and very, very few have escaped the ravages of ancient plunderers

Antiquity has handed down to us a considerable number of documents dealing with the personnel and administration of the Theban necropolis, and it will, perhaps, be instructive to glance rapidly through some of these, particularly in the light of modern discoveries

It must be remembered that the eastern bank of the Nile at Thebes was the city of the living, in which the Pharaoh and his court resided and all the civil life of the capital was carried on. The western bank was the great necropolis, or city of the dead. Here the limestone cliffs are honey-combed with tombs, and in the plain below the great mortuary temples of the Pharaohs spread out in a long line each succeeding King adding another in which his funerary cult should be celebrated and the canonical offerings and commemorations should be solemnized. The nobles and citizens combined the chapel and the tomb in one unit, but the Kings separated them, the temples standing apart from their sepulchres, which latter were excavated at some distance away in the wild and rocky gorge known as Biban-el-Moluk or the Valley of the Tombs of the Kings. In this valley the tombs of nearly all the sovereigns of the eighteenth, nineteenth, and twentieth dynasties have been found. Some were known and standing open in Greek times, as the graffiti on the walls show. Others have been hidden by drifting sand or by falls from the limestone cliffs above them and have been rediscovered in modern times. All of them save one* were without occupants, the plunderers having stripped them in bygone ages.

When we behold the enormous mass of valuable and precious objects found in the small and modest tomb of Tutankhamen, who was a relatively obscure King with a short reign, our imagination will fail us if we try to picture

* One *Kings* tomb that is. Several tombs of princes or minor personages have been found with their original occupants still in them — e.g., those of Yuua and Thuua, and of Prince Maherpra.

the magnificence and extent of the burial equipment which must have filled the enormous tombs of such Kings as Sety I and Ramesses II, who had long and prosperous reigns (the latter over sixty years) The tomb of Sety I is excavated over 300 feet into the mountain, and consists of about fifteen corridors and chambers, some of them of enormous extent, the tomb of Ramesses II has twenty chambers, and many of the others have chambers equally numerous and extensive The size and extent of these tombs make it easy to understand that a very large population of workmen must have been required to excavate, decorate, and care for them The burials of Kings required armies of masons, sculptors, painters, scribes, and artisans of every description, together with their overseers, foremen, and administrative officials These workmen, moreover, had to be housed, clothed, and fed, which again implies builders, carpenters, butchers, bakers, weavers, and water carriers (these were most important, for a constant supply of water must have been carried up from the Nile for the needs of the thirsty workers in the torrid heat of the necropolis) In addition to all these, the finished tombs each had guardians and priests attached to its service, and, further, the necropolis had a special police force of its own

Now, it is concerning this great population of workers who lived and worked in the service of the dead that the documents above referred to relate Nearly every museum has documents of this nature, but the greatest collection is at Turin, and belongs mostly to the reign of Ramesses III and his successors—some 150 years or so later than Tutankhamen From these fragmentary documents a mass of information can be gathered as to the wages paid to these workers, and innumerable details of disputes, arrests, illnesses, holidays, bonuses,* and legal proceedings of these people We know that the Egyptians used no coinage until Greek times, and all wages were paid in kind, each

* We learn from Liverpool Ostrakon No. M 13625, that extra rations were given on certain feast days

man having an allotted ration of corn, oil, vegetables, and clothes, which was paid from the royal treasuries monthly. No doubt many of the men were improvident and failed to make their rations last out until the next pay-day, but we cannot escape the conviction that the rations were very inadequate and that the numerous scribes and officials who acted as distributors were self-seeking and dishonest and appropriated much to themselves. The result was easy to see: discontentment and disorder were very prevalent, and a reckless and lawless spirit had free play among the workmen. One of them, a certain Pinebi, was a thorough scoundrel, and a papyrus* has come down to us which is an indictment of many counts wherein he is accused of theft, bribery, rape, drunkenness, unlawful conversion, tomb robbing, and other misdeeds. In another case† a workman complains that some of his fellows entered his house in his absence and stole bread, cakes, and other articles of food, they also drank his beer and overturned and wasted his oil. Numerous instances of theft and pilferage are likewise recorded, and where such crimes or disputes called for legal settlement, they were generally referred for arbitration to the oracle of the deified King Amenophis I, who became the local and special god of the quarter of the necropolis in which the workers lived. Thus the god identifies from a number of suspects the guilty party who had stolen some clothes‡. In another case the oracle was appealed to in order to settle the disputed ownership of a tomb which the plaintiff alleged to have been granted to his forefathers by King Horemheb§. Somewhat similar disputes as to the division of property were likewise dealt with||. Many of these cases were doubtless settled by human assessors, the parties drawing up their cases in writing¶.

* Papyrus Salt, Brit Mus., No. 10055

† Brit Mus. Ostrakon, No. 5637

‡ Gardiner Ostrakon, No. 4

§ Berlin Papyrus, No. 10496, and Brit Mus. Ostrakon, No. 5624

|| Brit Mus. Ostrakon, No. 5625, Cairo Ostrakon, No. 25242

¶ E.g., the bargain for an ass, Berlin Ostrakon, No. P 1121, and many others.

We have journals and day-books of the scribes and clerks of the works which record the days upon which the gangers were at work and those upon which they were idle * We do not know whether this idleness was enforced or voluntary, but the "off-days" almost as numerous as the working days, and often for long periods consecutively, may have been due to various causes In the first place, we know that some were holidays, which were spent by the men, "eating and drinking with their wives and children" † Shortage of rations again is the probable cause of some of the prolonged stoppages, such as the strikes described below, and also non-arrival of supplies during periods of stress, when internal rebellion or external warfare happened to be in progress We know that at about this period many strange happenings took place in Egypt, and we find a reference to "the year of the hyænas, when men hungered, ‡ doubtless referring to a Lybian invasion, or again, "the year in which the revolt of the high-priest of Amen took place" § In addition to these records of the movements of the whole gang, we have lists of attendances by named individuals, the cause of absence from work, usually sickness, being stated. || So frequent, indeed, is sickness, that we must suppose the cause lay largely in insufficient food and unhealthy working conditions The sequel to dishonest distribution of an already inadequate ration finally broke out in the twenty ninth year of Ramesses III as a strike amongst the necropolis workers One of the most human documents which antiquity has bequeathed to us is the official diary of a scribe which records these labour disturbances ¶

The workmen, exasperated with their lot, left their work and crossed the boundary walls of the necropolis, in a

* Papyrus Lieblein at Turin

† Cairo Ostrakon, No 25234

‡ Brit. Mus Papyrus, No 10052, verso 4 8

§ Brit Mus Papyrus, No 10053, verso 6, 22 ff

|| Brit. Mus Ostrakon No 5634

¶ Turin Papyrus, XLII ff

temper which can be gathered from the words of the report, which said, "They swore great oaths," and met behind the chapel of Tuthmosis III. On the next days they went further afield and gathered around the gateway of the temple of Ramesses II. A few days later they sent a deputation to the responsible officials, their spokesmen saying "We have come, urged by hunger, urged by thirst, we have no linen, no oil, no fish, and no vegetables. Send and inform Pharaoh, our good Lord, on our behalf, and send to the vizier, our overlord, that he may obtain for us the means of life." This appeal succeeded, for the text continues "Rations for the month were handed out to them." This, however, was only a palliative, for a few days later the workmen crossed the boundary walls again, and one of them in his excitement ran grave risk of punishment by uttering the oath, "By the Sovereign whose mighty powers can inflict death"* Fair words and promises had no effect, and the strikers called on the guilty officials by name. From time immemorial corruption existed amongst all the high officials of the State, and only a very active King, or a public outburst of serious magnitude, had the effect of temporarily checking it. We cannot but sympathize with the workers in this strike, whom we see, from a careful study of the whole text to have had a very legitimate grievance. They did not strike as modern workmen do, for shorter hours, or higher pay, they merely clamoured for what was already due to them and not paid. The contest lasted a long time, for the report contains the happenings of day after day, the workers continually becoming bolder, and the guilty officials more and more in fear lest their victims should report them to Pharaoh. Another strike is recorded in the reign of Ramesses IX,† also an account of wages being withheld.

These underpaid and hardworked men were employed in

* This was an oath of great solemnity, not to be taken in vain. It occurs in several papyri and ostraca known to me.

† Papyrus Lieblein at Turin.

making the gorgeous furniture and costly equipment of the royal tombs, and, whilst they felt the pinch of hunger, the Pharaoh loudly boasts of the huge endowments he made to the temples to propitiate the gods in the interests of his own soul. The endowments made by Ramesses III to all the great temples of Egypt are stupendous, and are detailed at length in the longest and best preserved papyrus that antiquity has spared us *. It is scarcely to be wondered at that the valuables deposited in the Kings tombs and in the storehouses attached thereto were a constant source of temptation to which the workmen continually succumbed. Under the successors of Ramesses III, these thefts became such a public scandal that, by order of Ramesses IX, a royal commission was appointed to inspect the tombs and report on their condition †. The inspectors found a number of tombs violated, including the royal tomb of King Sebekemsawef of the thirteenth dynasty, which had been entered by tunnelling from a neighbouring tomb. This latter tomb has been found in modern times, and the tunnel made by the thieves, and all the particulars of the ancient report have been verified ‡. A second papyrus§ contains the confession of one of the thieves when brought to justice and he describes how he and seven companions stripped the gold and jewellery from the mummies of the King and Queen, and divided the spoil. Yet another papyrus|| deals with the violation of the tomb of a certain Queen Isis by eight thieves, presumably the same eight, and with the damage done therein.

To return to the Abbott papyrus, after detailing the names of the tombs visited and their condition, the narrative proceeds to report the apprehension of certain suspects on

* The Great Harris Papyrus, Brit Mus., No 9999. The amount of corn paid over annually to the temples is three times as much as the allowance for the whole of the necropolis workmen.

† Abbott Papyrus, Brit Mus., No 10221.

‡ Newberry. Theban Necropolis, p 14.

§ Amherst Papyrus.

|| Papyrus Spiegelberg at Turin.

a charge of robbing the tomb of Queen Isis. Their arrest was due to the officious mayor of the town, whose duty did not extend to the necropolis, but who evidently wished to score over his rival, and thereby prove his negligence. The result of the trial was to vindicate the necropolis officials and inculcate the mayor, for the evidence was proved to be false and the suspects were set at liberty.

On the back of the Abbott papyrus are two long lists of prisoners, many of them high officials whose complicity had been bought, and a fourth papyrus* gives in great detail the trial of these persons. There were two separate trials, one for robbery from the tombs of two Queens of the nineteenth dynasty, the other for thefts from certain buildings called "Corridor Houses," which were probably workshops or repositories of some sort, in which metals and other valuable objects for use in the tombs were stored. Some of the prisoners were found not guilty, but many of the thieves were convicted, and all kinds of witnesses were called to support the case for the Crown, which must have been very carefully prepared. In this papyrus not less than 180 names occur of prisoners and witnesses †.

We have much still to learn concerning these prosecutions which cannot be accomplished until four important papyri in the British Museum, at present unpublished, are made available to scholars ‡. Enough, however, has been said to show that the strongest measures were taken by the Government to protect the sepulchres of the dead, but how unsuccessfully the sequel will show. It must not be supposed that tomb breaking was only perpetrated at the period we have just discussed. There is abundant evidence that tombs of all periods were plundered, and evidence, moreover, that most of the plundering was done by contemporaries.

* Papyrus Mayer A at Liverpool Museum.

† A papyrus at Vienna relates to this same series of events, and Mayer B, at Liverpool, is a fragment dealing with a robbery from the tomb of Ramesses VI.

‡ The recto only of one of them has been published by Newberry in his *Amherst Papyri*.

aries who knew their way about and exactly where to seek their object. Many tombs were plundered more than once. Thus the tomb of Tuthmosis IV, which was discovered in recent times, was literally knee-deep in broken pottery and furniture, the work of the robbers who rifled the tomb for the second time. The first robbers had broken in probably soon after the King's burial, and it was in disorder in the reign of Horemheb, who, we learn from a hieratic inscription on the wall, had the burial restored and damage made good in the eighth year of his reign. The royal mummies, which were discovered in two batches, one hidden in a deep pit tomb at Deir-el Bahari, the other in the tomb of Amenophis II, are most instructive by reason of the inscriptions written upon them. Owing to the continual violation of their tombs, which the Government of the day could not prevent, the high priests of Amen restored the damage and moved the mummies of the Kings from tomb to tomb, endeavouring to safeguard them. Thus the bodies of Sety I and of Ramesses II, his son, were restored and rebandaged by order of the Priest-King, Hrihor, in the sixth year of his reign. Ten years later he moved the mummies of Ramesses I and II from their own tombs into that of Sety I for greater security, and this proving useless, the three mummies from that tomb were carried into the tomb of Queen Anhapu. A later Priest-King Menkheperre, had them inspected, and found that they had again been rifled, and caused the bodies to be rebandaged and repaired. The tomb of Queen Anhapu having proved insecure from attack, the mummies of Sety I and Ramesses II were transferred to that of Amenophis I. Here, apparently, they remained until the twenty second dynasty, when they were transferred, together with all the other royal mummies, whose hiding places were known to the cache at Deir el Bahari, where they remained unmolested until our own times. In 1872 the Arabs discovered the hiding place, and sold many of the smaller antiquities buried with the mummies to European tourists. The fact that the royal tomb had

been found was evident from the objects appearing on the market, but the authorities did not succeed in extracting the secret from its holders till 1881, when, under the late Sir G. Maspero's order, the tomb was opened, and all the mummies were taken to Cairo, where they can now be seen *

Some of the most famous Pharaohs in history were thus collected together, Seknenre of the seventeenth dynasty, Aahmes I, Amenophis I, Tuthmosis I, II, and III, Sety I, Ramesses II and III, and others, besides their Queens and many princes. Added to these was a number of the Priest Kings of the twenty-first dynasty and their families. How this hiding was accomplished in secrecy is difficult to understand, owing to the great number of coffins which had to be transported, some of them so heavy that a dozen or more men were required to lift them. A few years later Loret discovered the tomb of Amenophis II, and in it lay the King in his own sarcophagus, together with a number of other Kings and princes who had been moved there for safety. The mummies in this tomb included those of Tuthmosis IV, Meneptah Siptah, Sety II, and Ramesses IV, V, and VI, together with several princes and princesses. All these mummies were likewise taken to Cairo, except that of Amenophis II, who still lies in his own tomb, in spite of a raid made upon him by the natives shortly after he had been discovered. In the mummies thus found we have the actual bodies of nearly all the Kings of the eighteenth, nineteenth, and twentieth dynasties, and many princes and princesses of the twenty-first dynasty, amongst whom are some of the most celebrated in Egyptian history. They have all suffered cruelly at the hands of the robbers, who tore open their shrouds and broke their bodies in their search for jewellery.

If, indeed, the mummy of Tutankhamen lies within the

* A detailed memoir describing the history and results of the discovery will be found in Maspero's *Les Momies Royales*, and the mummies themselves are minutely described in Elliot Smith's *Royal Mummies*.

gilded shrines, as there seems little doubt but that he does, and proves to have been unmolested, he will be the sole Pharaoh found who has escaped the doom of his peers, for even Amenophis II, who was in his own tomb, had been rifled and despoiled

In conclusion, there is one other ancient papyrus which gains special significance from the Tutankhamen discovery. There is in the Turin museum the architect's plan of the tomb of Ramesses IV,* with particulars as to its construction and dimensions written in hieratic writing. In the centre of the burial chamber is shown the sarcophagus, and this is surrounded by five rectangles, the meaning of which has hitherto not been understood. We now know from the tomb of Tutankhamen that these rectangles are the shrines or tabernacles which were erected, one inside the other around the sarcophagus.

* This plan was exhaustively studied by Dr A. H. Gardiner and Mr Howard Carter in the *Journal of Egyptian Archaeology*, Vol. IV, 1917. It has recently been reproduced in *The Times* and other newspapers.

EDUCATIONAL SECTION

EDUCATION IN INDIA THE REFORM OF THE UNIVERSITY SYSTEM

By "GURU MAHASAI"

IF there are any who still cherish the idea that India is altogether a backward and benighted land where the principal activity of the inhabitants consists in the evasion of man-eating tigers and venomous snakes, they will be surprised to learn that in the year preceding the War the Presidency of Bengal, with a population equal to that of the United Kingdom, contained also a number of University students equal to the number in the United Kingdom. More remarkable still, while the 23,000 students (or thereabouts) of the United Kingdom received instruction in some eighteen Universities, the equal number of students in Bengal were attached to one, and to only one, *Alma Mater*.

The University system of India as it existed from 1857 (the year of its initiation and, incidentally, the year also of the Mutiny) up to about 1915, was organized avowedly upon the model of the University of London. But it was by no means a complete replica of that model, and it did not move forward along with the changes brought about in the University of London or in consonance with the development of ideas regarding University systems in general. No doubt the London Statutes of 1900 had their effect upon the Commission of 1902 which sat in India. But reform was cautious and moved slowly.

The number of Universities created in India during this period (1857-1915) was five—five Universities to serve the needs of some 315 millions of inhabitants and a vast

country possessed of imperfect communications and peopled by a number of races varying widely in temperament, language, religion, and social development. The seats of the earliest Universities were established at Calcutta, Bombay, and Madras. Later on in the period Universities were created at Lahore and Allahabad. No University centres were provided for certain of the provinces—*e.g.*, Assam, the Central Provinces and Burma, or for the Indian States. The students of these provinces or States ordinarily read the courses and frequented the examinations of the most conveniently situated centre. The size of the area over which the influence of each University extended, entailing as it did the establishment or retention of a network of affiliated colleges to supply local needs, militated against the growth of corporate University life and sentiment.

The main characteristics of an Indian University of this type were the following. It was not a teaching body. It affiliated colleges which fulfilled the standards, and it examined and conferred degrees upon the students of such colleges. It sometimes recognized high schools for purposes of presenting candidates at the University entrance examination, and it conducted that examination, whereupon the successful pupils were permitted, if they desired to prosecute their studies further, to enter one or other of the affiliated colleges. Beyond a certain number of endowments for fellowships, scholarships, etc., the University had no funds of its own save what it collected from candidates at the entrance and degree or diploma examinations. The Government of the University was vested in a single body, which performed both administrative and academic functions. Such delegations of power as existed were conferred upon an executive committee called the Syndicate and upon the Faculties—both Syndicate and Faculties consisting wholly or mainly of members of the central body which retained in its own hands the bulk of the control. The inequality of the affiliated colleges reacted

upon the standard, which had to be set so as to allow for the shortcomings of the weaker institutions, while those which were well staffed and equipped sometimes received but scant recognition of their superiority. The entrance examination admitted to University courses boys whose ages and intellectual attainments too often demanded a continuance of study under school conditions and were unequal to a relaxed discipline and collegiate methods of instruction.

It is not to be supposed that these shortcomings existed to an equal degree in all the five Universities. The University of Madras remained, to its credit, an example of sound administration and learning. Others, too maintained, though not without a struggle, a reasonable standard of efficiency. When the searching eyes of Lord Curzon detected the weak places in the harness of University organization, the Commission of 1902 and the legislation of 1904 were directed mainly towards the University of Calcutta, which suffered from the rapid expansion of higher education among the progressive people of Bengal. This expansion took place under a system unfitted for adaptation to rapidly changing circumstances and unsupported by adequate funds. The Bengali, progressive in his ideas, nevertheless clings with sentimental conservatism to institutions with which he is familiar. It was mainly for the good of Bengal that the legislation of 1904 was undertaken, and it was in Bengal that the opposition to that legislation manifested itself. This attitude of hostility was totally unwarranted. For the Indian Universities Act of 1904 was in itself a cautious and conservative measure. It regularized the constitutions of those bodies. It organized and strengthened their powers of control over affiliated institutions. It added the function of teaching to that of examination. It accepted the existing system and tried to improve it. Witnesses before the Commission of 1902 had urged the big reform—the creation of additional Universities. But “this, carried to its logical conclusion—the adoption of a system of self contained local Universities—

appeared to involve either a multiplication of centres incompatible with efficiency or a concentration which would have left outlying colleges stranded, and would have aroused the strongest opposition. So the opportunity of introducing a wholly new system was not taken and in the words of Sir Hugh Orange, "by the Act of 1904 the principle of the federal University, which examines those whom it has not taught, received a new lease of life."

But in the immediately succeeding years two things became plain. First, the jurisdiction of some at least of the Universities was too large for effective administration. Funds had indeed been allocated from public revenues for purposes of inspection, etc. But apart from the cost of periodic visitations it was difficult in the case of outlying institutions, to exercise the vigilance necessary to secure that conditions or recommendations were carried out in the spirit in which they had been imposed or suggested. The large number of colleges with which each University had to deal involved the laying down of hard-and-fast regulations which might not always square with local needs or possibilities. The examinations, too, had to be conducted on an immense scale with resultant inconveniences and the inevitable adoption of mechanical tests. Second, it was difficult for the Universities to fulfil in any worthy sense their new function of teaching. Save to a small extent, the funds required for this object were not available. The great distance between the colleges often rendered physically impossible any system of common or inter-collegiate lectures. At the same time growing specialization and the ambitions of individual institutions to offer a large choice of subjects increased the difficulty of meeting all needs and the danger of overlapping. (At Calcutta, indeed, an elaborate system of instruction for candidates for the M A and M Sc degrees has grown up. But that system has not been without its critics, and its maintenance is understood to have undermined the financial position of the University.) Over and above these two motives for reform, the further

development of education was awakening local aspirations and urging communities to demand organizations which should be nearer at hand and which would more fully comply with their various requirements

Such was the position when, towards the close of 1910, a Department of Education was created in the Government of India. Its first work was to make a survey of existing conditions and an estimate of pressing needs. The result was set forth in a resolution which dealt with every branch of instruction. Among other matters stress was laid on the need for University reform—curtailment of the areas of jurisdiction, the foundation of unitary, local, and residential Universities, and the establishment upon a more solid foundation of schemes of University instruction and research. For the furtherance of this last object, a portion of the sums which the new Department was able to allocate for educational purposes was placed at the disposal of the Universities.

The declaration of policy bore fruit. Even before it was made, representations had been received from the Hindu and Muslim communities for denominational Universities. In September, 1915, an Act was passed for the establishment of a Hindu University at Benares. After that, new Universities arose in quick succession. They were not, like the old Universities, organized on a standard plan, but assumed different forms as dictated by the environment of each. It is convenient to consider them in groups rather than in the historical order of their appearance.

A recognized University in British India is invariably the creation of one or other of the provincial Legislatures or of the Imperial Legislature. But early in this second period, which may be said to begin with 1915, there arose two Universities in Indian States. One of them is in the progressive State of Mysore, and consists of federated colleges at the two centres of Mysore city and Bangalore. Another, called the Osmania University, was founded at Hyderabad, in the State of H E H the Nizam. Its

special feature is the imparting of knowledge through the vernacular, for which purpose a large amount of translation from European works has been undertaken. A University for women was also brought into being by the enthusiasm of Dr Karve. This last has its headquarters at Poona, in British India, and is not definitely recognized, since it is a purely private organization and does not derive its status from any Act of the Legislature.

Passing next to those Universities which have been regularly established in British India, we may group the new Universities under three classes.

First, there are the denominational Universities—the Benares Hindu University and the Aligarh Muslim University. These are expansions of existing colleges—in the latter case of the famous Anglo Oriental College originally founded by Sir Syed Ahmed. Each is uni collegiate. The Benares institution has housed itself in magnificent buildings recently erected outside the city. Aligarh already possessed a fine group of college structures.

Second, unitary Universities have been created at Rangoon, Dacca, Lucknow, and Delhi. The first two were carved out of the area under the jurisdiction of the Calcutta University. It is a curious comment on the old system that the two colleges at Rangoon, now welded into an independent University serving the whole province of Burma, were previously appendages of a University whose seat was a three days' voyage distant.

Finally, a type of University has been devised to obviate the difficulty which confronted the Commission of 1902. It undertakes a portion of the instruction and possesses a stronger hold over the colleges which, though not situated in the University town, are still attached to it for purposes of curriculum and examination. It is admittedly a compromise. Examples of it are the new University of Patna, which serves the province of Bihar and Orissa, previously within the jurisdiction of the Calcutta University, and the University of Allahabad, which already existed as such, but

has now been reformed along lines suggested by the Calcutta University Commission

This Commission, sometimes known as the Sadler Commission, commenced its investigations in 1917 and greatly facilitated the changes which have taken place by giving to them the imprimatur of a most distinguished body of educationists. Some of the reforms which it advocated had been anticipated in the Acts constituting the Benares Hindu and the Patna Universities, and in other ways. But it gave weighty sanction to these changes and suggested others of great value. While its proposals were made with reference to Calcutta, some of them have been found useful elsewhere. The University of Calcutta, indeed, has hitherto not adopted these reforms—a fact for which financial stringency is in part responsible, though it is understood that two private Bills dealing with the subject will shortly be considered by the local Legislative Council. But the new Universities of Patna, Rangoon and Dacca have arisen within the area which was previously under the jurisdiction of Calcutta. The United Provinces has now four Universities—at Allahabad, Benares, Aligarh, and Lucknow, and there is talk of others at Cawnpore and Agra. The province of Burma and the small province of Delhi have now each their own University, and a University for the Central Provinces has long been under contemplation. In the other provinces there has as yet been no increase.

These new Universities differ considerably in their organization. Some are unitary, but consist of several constituent colleges at a single centre, where centralization and interchange of teaching are possible. Others are uni-collegiate as well as unitary. Others, again, combine a central teaching institution, with external colleges situated at different centres. Areas have been restricted, and the work of each University institution is reduced to more reasonable proportions. Emphasis is laid upon proper residential arrangements. Administrative and academic functions are no longer combined in a single body, there

are ordinarily a large legislative Court, a small Executive Council, and a separate Academic Body, with powers and inter-relations carefully articulated. The University itself undertakes through its own professors some of the instruction, and possesses powers of organizing inter-collegiate arrangements. A very important recommendation of the Sadler Commission was the absorption in the school system of what had previously been the first two years of collegiate instruction, and the constitution of a new authority, on which both the University and outside interests are represented for the administration and control of the secondary institutions. Greater elasticity has been secured by new service conditions and by the distribution of rules between legislative enactments, statutes, ordinances, and regulations, in accordance with their importance.

The innovation has been great and sudden. Some cautions are necessary. The five original Universities are not dead. On the contrary, they are going strong. They have, despite adverse criticism, done a great work for India in the past. There is a great work for them still to do in the future, and they will continue for years to come to deal with the majority of students of the collegiate stage. It has been thought by some that the crop of new Universities has grown too quickly. Unfortunately, their growth has synchronized with lean years when economy has been necessary. There may be difficulties in the supply of competent staff. There are certain to be in the beginning crudities and possibly, in places, competition, with consequent lowering of standards. But, whatever the temporary drawbacks, there are few who can say that the change has come too soon. The old system of unwieldy Universities had outlived its day, and, though the conditions of the country necessitate its continuance, it will no longer stand alone. A more elastic organization has begun to assist it in bearing the burden.

LITERARY SUPPLEMENT

LEADING ARTICLE

INDIAN HEROES

BY STANLEY RICE

THE epic writers of all countries, being men, are prone to idealize womanhood. This tendency is specially striking in the Indian epics, where the heroines have been held up as examples for all time, and where they are generally modelled upon the lines of the cardinal virtues becoming, at any rate in the Indian view, to the female sex, and notably on the lines of fidelity, chastity, and submission to the marital authority. Certain characteristics of weakness and frailty are sometimes introduced, and these serve to remove the Indian heroine from the category of the conventional and the ideal to invest them with a human interest, and to differentiate one from the other. Among the subordinate characters we may no doubt find instances of palace intrigue, supposed to be so dear to the Indian heart, and so often encountered in the history of Indian courts, nor does the poet hesitate at times to present the picture of a repulsive woman. But these are not, and are not meant to be, heroines: the true heroine is nearly always conceived on ideal lines.

When we come to the hero the case is altered. There is scarcely a single hero, not only in the Indian, but in any other epics who is flawless. We cannot admire the sulkeness of Achilles, or the bombast of Hector, the wisdom of Odysseus not unfrequently degenerates into more cunning, and even the generous Siegfried stoops to base deception when he impersonates Gunther in the pursuit of Brunnhilde's love. Roland, no doubt, is typical of the *preux chevalier*, but the Song of Roland is one long panegyric of Christianity and one triumphal pæan upon the downfall of the Pagans, so that the virtues of the hero are rather obscured by the religious inculcation.

That which every hero possesses in every land where the heroic is worshipped is a surpassing courage and tran-

scendent skill in war To be a warrior among warriors was evidently the ideal of all these epic bards, who, curiously enough, seldom or never combine the regal power with the superlative qualities of the warrior Just as Agamemnon, king of men, and Gunther, the doughty ruler at Worms, are by no means the greatest warriors of the epics of Greece and Germany, so Yudishtira is comparatively insignificant beside the greater heroes of the 'Mahabharata.' Yet, when the final scene arrives, and the brothers, with their faithful wife, set out for heaven it is only he who reaches the goal, the others fall out by the way and are condemned to Purgatory, where the King finds them, and whence he finally releases them What is there, then, in his character which leads to this rather surprising result? Why is he selected rather than the great archer, Arjuna, or the chivalrous, if impetuous, Bhima?

It is necessary to remember that epic poetry had its origin in those sagas or odes which minstrels sang before the sovereign to celebrate their doings and incidentally, to obtain their favours There are certain writers who incline to a regrettable flippancy of phrase in dealing with the Indian heroes, beguiled thereto by the extravagances of Oriental hyperbole. It seems to them more marvellous that a man should cut with arrows missiles that are flying in the air than that he should easily hurl rocks which a dozen men of a more puny breed can hardly stir And so the circumstances of supernatural origin seem to such critics legitimate objects for their wit or sarcasm But it is easy to see that the Prince would be flattered by the ascription of his ancestors to divine parentage, and perhaps it was felt that the supernatural qualities of the hero must be accounted for by heredity from the gods Were it not for the somewhat grotesque circumstances surrounding birth, we should receive their accounts as a matter of course, just as we accept the genealogies of Achilles of Sarpedon, or of Æneas. To be born of a divine father—the mother is never divine—evidently seemed to the Indian bard to enhance the importance of his hero, or to suggest a divine ancestry was a sure way to court his royal benefactor

Beside the supreme virtue of prowess in war other qualities were only secondary Yet we get a glimpse of the reason why Yudishtira was chosen to be the only pilgrim who reached heaven For to the ancient Indian it was before all things necessary to give great gifts to the Brahmans and to be meek and submissive to elders It is counted unto Rama for righteousness that he refused to accept the

proffered abdication of Bharata in his favour, alleging as his reason that he must carry out the injunctions of his dead father, nor, when that father had reluctantly consented to his banishment, did he hesitate to obey. This is the supreme virtue of Yudishtira. In a very remarkable scene he advances alone to the camp of his adversaries, in order to ask, not their forgiveness but their blessing, for what he is about to do. They are even asked to advise the best means of compassing their own destruction, and this because amongst them are to be found his old preceptors. And again, when the dying Bhishma is lying on his bed of arrows, Yudishtira comes to him to learn wisdom regarding the duties of kings towards their people. For the rest he does not excite enthusiasm, his conduct is correct, but colourless, and if we seek in vain according to our modern canons for that which singles him out, we are, in the end, compelled to accept the values of the ancients, and to acknowledge that in this special virtue of "piety" he is without a peer.

The legend of the Strong Man appears in the mythology of many nations. Even in the age of chivalry, when already the supernatural had begun to disappear, traces of it still survive, for, though Roland performs no miracles, his prowess far exceeds that of any ordinary Paladin, and if his weapon lacks the celestial qualities of Arjuna's bow, Gandiva, and his armour was not forged in the smithy of Hephaistos, yet his sword is of such tempered steel that even he, with all his strength, could not break it. In heroic times, Herakles among the Greeks and Samson among the Israelites are matched by Bhima in the Indian legends, and though the figure of Siegfried comes down to us through the medium of a much older legend, we can discern the same attribute of great physical strength, both when he wrests the treasure and the Tarnkappe from the Nibelungs, when he runs the race which ends so fatally in the tragedy of Hagen's spear, and especially in his encounter with Brunnhilde, who, though a woman, was able to master a renowned hero, and hang him up for the night on the wall. Whether these legends spring from the mere natural admiration for masculine strength, or whether some Nature myth is enshrined in them, it is difficult to say. Solar myths are looked upon askance in these days, it has become almost a byword that, if you are at a loss for an explanation, you turn to the solar myth in despair. Yet there is more than a suggestion of the sun in the story of Samson, the shining one, whose strength resided in his hair, for, as the sun in

winter is powerless without his rays, and yet suffers but a temporary eclipse when the clouds cover him, so was Samson powerless when his locks were shorn, and yet burst with ease the new cords and the green withes with which the Philistines in their simplicity bound him

One may hazard the conjecture that there are traces of a Nature myth in the episode of Herakles' combat with Antæus. You will remember that as often as Antæus touched the earth his strength was renewed, so that Herakles was reduced to crushing the life out of him while he remained in mid-air. Does not this suggest the parching power of the sun, which cannot wither up the vegetation so long as it finds sustenance from the earth, so long, in poetic phrase, as it can still drink at its mother's breasts, yet which quickly scorches and, especially in the latitudes of Greece and Asia Minor, the plants which are rooted up, torn as it were from their mother's arms? It is possible, therefore, though the connection is more obscure than some such Nature myth is to be found in the story of Bhima, the mighty warrior of Kurukshetra, who, amongst so many others renowned for strength and valour, was so conspicuous, that he is known chiefly for his attribute of strength. We need not cavil at the poet's exaggeration when he endues him with the strength of 10,000 elephants. Oriental imagery is prone to be hyperbolic. We must look beyond the literal fact to the intention, and, after all, is there anything so monstrous in this mere figure of speech to those who have placidly accepted the story of a man who could pull down a solid structure with no better weapons than his own arms?

It seems, too, to be generally recognized that the Strong Man is not conspicuous for wisdom, his great characteristic is an impetuous temper. Bhima is being continually warned by Arjuna, or by Yudishthira, against the folly of his outbursts. In the great scene of Draupadi's humiliation, it is Bhima, who, not realizing the position, indulges in a furious invective against her persecutors, it is Arjuna who has to remind him that they are in the power of their enemies, and that such exhibitions of temper will do more harm than good. In like fashion, we find that Ajax in the "Iliad" is not a very wise person, and both he and Herakles lose their reason in the end. As for Samson, there is no more imprudent character in the entire Biblical record. One may suppose that, in the ancient view, the physically strong had no need of their wits, and it is worthy of remark in passing that, in the old Indian fables, the lion, who is invariably

recognized as the king of beasts, is as invariably depicted as grossly stupid. His folly is always requiring correction by faithful advisers, or is being turned to sinister account by unscrupulous intriguers.

The quality of invulnerability which we find in Siegfried and in Achilles, coupled with the fatal spot which left unguarded proves their ruin, appears in a somewhat different form in the Indian legends. Apart from the case of Ravana, who had obtained the boon from Indra that he should be able to defy gods and demons but who, being himself a demon, is perhaps out of court, Bhishma had obtained a somewhat similar boon that he should choose the time of his own death, and this gift he uses, for after he is struck down he remains on the field for fifty-eight days until the auspicious hour arrives when he can release his soul. Karna, too is born with invulnerable armour, of which, for some obscure reason he is persuaded to divest himself. In both these cases, of course the hero cannot be slain, but since death is inevitable to mortal man, a loop-hole of escape is provided, as in the German and the Greek legends. So also Kwasind, the Strong Man of the Red Indians, is invulnerable, save to the blow of a pine-cone on his head. It does not seem to have occurred to the makers of these legends that this very gift of invulnerability detracts from rather than adds to, the heroic qualities of their characters. Probably it is only a picturesque way of emphasizing the prowess of the hero, but any one could be brave if going into battle he knew beforehand that all the weapons of all the host were powerless to take his life.

They were not without chivalry, these ancient heroes, though they seem to have shown little mercy to one another. The rape of Sita came about through disregard of Rama's strict injunctions that she should be well protected. Insults to Draupadi were fearfully avenged. Bhima drinks the blood of Dushashana, who had dragged her into the hall. He breaks the thigh of Duryodhana, who had bared it indecently in her presence. He pounds literally to a jelly a would-be admirer. The weakness of women was acknowledged, but their subservience to men was taken as a matter of course, and when once remonstrances are over and the woman accompanies the hero into exile, she settles down into the customary occupation of keeping house for her lord and master. But this chivalry was not coupled with any exalted ideas of masculine fidelity. They could be charmed by a pretty girl, much to the chagrin of the lawful wife, or they might be overcome by the blandish-

ments even of a female demon But license has always been allowed to men in such matters, for did not Achilles eat his heart out at the loss of a mistress who had come to him as the spoils of war? Perhaps the 'Nibelungenlied' is unique in that the tragedy turns upon the alleged untruthfulness of Siegfried to his wedded wife.

Patience, too they had and endurance in adversity The exile of the hero and his adventures in the forests are the favourite theme of the Indian writers Not only is it the framework both of the "Ramayana" and of the "Mahabharata," but it appears also in the well-known story of Nala and in the equally famous legend of Savitri, where the prince's father is living a hermit life in exile But the hero's conduct is often unheroic, we cannot sympathize with the unavailing lamentations of Rama, still less with his cruel repudiation of Sita a repudiation of which there is also a trace in the story of Nala, who, after deserting his wife in a fashion we can only call cowardly, begins to upbraid her for the device by which she and she alone has brought about their reunion We must however reckon here with the extreme sensitiveness with which Indians have always regarded questions of female honour Then, as now they have always taken alarm at the slightest indications of anything that might be construed as wisely infidelity or even levity, and until suspicion is allayed affection must wait

One and all exhibit weaknesses, as indeed do Shakespeare's heroes Arjuna is distinguished mainly by his excellence in archery, but prowess in war he shares with the most detestable of his enemies Bhima is impetuous and irritable. Even Krishna is not above some questionable dealings But one exception there is In drawing the character of Bhishma the Indian artist seems to have sought to combine in one person all the excellences of man Wise in counsel, valiant in battle, restrained in passion, he wins our admiration as no one else does He is the Cato of India clinging loyally to a lost cause let the gods choose which side they will He begins his career by a renunciation of the kingdom, an act of magnanimity of which few were capable in those days Loyally he steers the State through the rocks and shoals of the intervening years, and when at last his hour has come he can with better claim than Samuel protest that he has lived and died blameless, as a Kshatriya should His very end is brought about by his chivalry, for his foes had placed Sikhandin in the forefront of the battle, knowing that this knight, *sans*

peur et sans reproche, would not draw his bow upon one who once wore a woman's form. It is not pertinent to our subject to inquire how this curious conception arose, but it may be remarked in passing that it is not peculiar to India, and appears under different shapes in the fables of many lands.

Nor were the arts wholly disregarded. A recent Bengali writer has sought to show that the "Ramayana" is really two stories—a northern and a southern—rolled into one, in which the Aryan prince from the North overcomes the aborigines of the South. This thesis bears the colour of likelihood from the fact that, as is now generally held, the demons and Rakshasas of the forests—the Daitays and Danavas and others—were in fact the indigenous tribes, gradually pushed back by the Aryan invaders. If, therefore, Ravana was really a southern king, we can the more easily accept his proficiency in music for the name of Ravana is even now not unknown to the Indian art. The conception of a bloodthirsty demon seems to our modern ears incongruous with the delicate and highly intellectual art of music, but it is not unfitting that a southern king should be so eminent in it seeing that to this day the South prides itself on having preserved and developed the art on purer lines than the North. Dancing, too, was evidently highly considered, for Arjuna learns it from the celestial dwellers in Indra's heaven and although he is condemned to be a dancing-master to the ladies in the course of his exile, the contemptuous reference to the fact seems to look more to his employment in the women's apartments than to the practice of the art. At any rate, it does him no harm in the battlefield.

The epics, however, and more especially the "Mahabharata," are not the work of a single hand but all the cunning of all the critics has not been able to separate certainly the original parts from the later additions. When they fell into Brahman hands, it was natural that they should depart from the old conceptions of the sages, which, of course, extolled the virtues of the typical Kshatriya, and should lay greater stress upon the service to religion especially when it took the form of largesse to the priestly caste. Some trace of the same thing is to be found in the "Nibelungenlied," where the whole story of wild Iceland is cast into the mould of mediæval chivalry, and where Kriemhilde, brooding over the wrongs of her murdered husband and meditating deep vengeance against her nearest kin, is yet distinguished by her beauty and by

her charitable works. It is evident that the compiler or adapter thought with the Hindu Brahman that such charity as this covered a multitude of sins. But the supreme virtue of deference to elders finds its origin deeper in the ancient patriarchal system in which the word of father or mother was law. In later conceptions of polity treason to the State takes the place of disobedience to the family head as the one is the greatest of all crimes, so was the other the negation of the highest virtue. The most striking example is the polyandry of Draupadi, where the brothers, little as they like the idea feel compelled to obey the command of their mother "to share the prize they had won," given though it was in ignorance of the facts.

Indian heroes reflect the spirit of the time and place as much as, perhaps more than, those of any other country. We may be thankful to the epic writers that in presenting to us characters compounded of virtues and of failings they have preserved the human interest which must always endure. One only among them represents the typically perfect man, and in him we can see what to an Indian seemed perfection. There is no single personality in the epic literature of Greece or Rome, of France, England, or Germany that can fitly be compared to Bhishma. He stands alone as the type of manhood.

OUR REVIEW OF BOOKS

THE DEVELOPMENT OF SELF GOVERNMENT IN INDIA, 1858-1914. By
C. M. P. Cross (*University of Chicago Press*)

(Reviewed by SIR VERNEY LOVETI, K.C.S.I.)

In this book Mr. Cross traces 'the development of self government in India during the years from the Mutiny to the outbreak of the World War. He considers that the period since 1914 has been obscured by "censorship, by propaganda, and misinformation to such an extent that partisanship, which has no place in such a treatise has no means of being controlled or evaluated. His investigation has been "confined strictly to developing a background for a comprehension of the forces and movements at work in India. "Since the war, he says, "new figures such as Gandhi, and new methods or modifications of methods, such as non-co-operation and the Hindu Muhammadan Entente have come, but have effected little essential alteration in the current of events, the outcome of which must be awaited with anxious concernment, not only by the British Empire but by the world at large.

It is true that a parliamentary system was logically the final outcome of the Morley Minto reforms, and that increasing contact between the

rapidly-growing, though still relatively small, Western-educated classes of India and an increasingly democratic England, was bound to produce eventually changes of the nature of those enacted by the Government of India Act of 1919. But the war and its varied consequences, the Declaration of August, 1917, and the Montagu-Chelmsford reforms, while not essentially altering the underlying current of events, have so increased its volume and force as to inspire in many the gravest doubts of the ability of the British Government either to guide or to control it. Should results justify such fears, impatient idealism will have achieved a supreme catastrophe. But, for our own part, we hold that the keys of India are still in London. If, discarding delusive catchwords, and looking facts in the face, England remains staunch and true, not only to her own hard-earned interests in India, but to the interests of the many alien millions to whom she is bound by every tie of honour, she will meet with such a response from those Indians who are fully conscious that in her rest their hopes of ordered freedom, as will enable her to frustrate the forces both of precipitate nationalism and of diligently stimulated racial hatred.

Relying on many authorities, and on the collated results of much literary research, Mr Cross tells us of the development of democratic ideas in India up to the date of the passing of the Morley-Minto reforms, and for six years after. His narrative partakes of the nature of a compilation, and abounds with lengthy quotations from authorities of all kinds. In a closing chapter, entitled "The Future," he appears to forecast India's complete severance from the British Empire. "Did the climate," he says, "permit colonization on a larger scale, and were not the native population so enormous, and at the same time potentially so capable, it might be a different story, but as it is, India seems to be too immense, too remote, and of too inhospitable a climate to become a second Ireland, too inherently different in culture, interests, and race to become another Australia or Canada, and its native population too immense and capable to become a South Africa." There is much sound reflection in these remarks. And yet we do not see the moon which has climbed so high into the night setting amid the croaking of frogs. We do not see India unsteadied by any central authority entering on a new cycle of enfeebling disintegration. We do not believe that all the past is to end in dismal confusion.

Our author's book contains a great deal of collected information and quotations which are very interesting to the student of Indian history. But his views of British policy and motives incline towards somewhat acrid cynicism. When, for instance, he writes that in 1911 "an attempt was made to play the king and take the trick," by arranging for the coronation of George V at Delhi, he ignores the well known fact that His Majesty's visit to India was the outcome of his own desire to see India again, and to manifest effectually his interest in and his regard for his Indian people.

A BURMESE ARCADE By Major C. M. Enriquez. (*Seeley, Service*) 21s. net.

The "arcady" described in this volume is the little-known land of Kasha, in the extreme north of Burma, separated from Tibet by the

Patkai range. The author, who writes in an engaging style, assisted in the "great military experiment" which threw open the army in 1917 to Burmese, Kachins, Karens, Shans, Chins, and other indigenous Burmese races. The Kachins were the first indigenous unit of infantry to enter an overseas war zone. They were in action against the Kurds at Sulaimaniyah, in June, 1919. The author describes the ravages caused by diseases amongst these hillmen, and expresses the belief that military training is the most effective way of educating them. He considers them particularly valuable material for the Indian Army on account of their freedom from religious and from caste prejudices.

THE WEALTH AND WELFARE OF THE PUNJAB By H. Calvert, B.Sc., I.C.S.
(Lahore) Pp. 224

(Reviewed by MARY E. R. MARTIN)

The author of this book is a specialist on co-operation, being Registrar of Co-operative Societies in the Punjab, and the writer of a book on 'Law and Principles of Co-operation'.

These societies are still in their infancy in India, and as they are primarily intended for agricultural workers, it is important that reliable data should be collected on all matters connected with the land. We are told that this book has no official authority, and it therefore contains an unbiased opinion on facts acquired by experience. Agriculture is the most important of all industries, and the agriculturist is a pronounced conservative with regard to new methods of farming and improving the land, more especially so in India, where old customs are so deeply rooted. We gather from the introduction that the Punjab cultivator has a hard struggle to support his family and that he has not had hitherto much encouragement from the educated classes, and being therefore a poor man it is impossible for him to cope without assistance with bad seasons, caused by drought, etc. The problem of very small holdings is a complicated one, for as the agriculturists become educated, they will require wider scope for scientific farming, and it may be difficult to acquire sufficient land for that purpose. We heartily commend this book to all Indian students anxious to acquire knowledge of social conditions as they affect the village population of India.

BRITISH NORTH BORNEO By Owen Rutter (*Constable and Co.*) 21s. net.

Sir West Ridgeway in a brief introduction, reminds us that "In 1878, this corner of Borneo—most important from its strategic position—was in danger of being acquired by a foreign Power, when, at the eleventh hour, a small body of English gentlemen stepped in and purchased it from the native rulers." Forty-two years have elapsed since the granting of the charter, and the author describes in the course of some 400 pages the advance in every field that the lapse of time has brought. He is emphatic in commending the system adopted for recruiting the officers of the Civil Service and Constabulary in Borneo.

"There is neither qualifying nor competitive examination, but nominated candidates are interviewed by a Selection Board composed of the President

and some of the directors. This system in the past has had excellent results, and is, for a small service like that of North Borneo, an undoubted improvement on the hide-bound methods of the competitive examination.

By their present methods they get the right stamp of officer for the Service, for the truth is that, whilst a man does not need to be a Greek scholar to be a District Officer, he does need to be a gentleman.

AN EASTERN LIBRARY I TALES OF BENGAL II SRIKANTA By
Humphrey Milford. (*Oxford University Press*) London, Bombay,
Calcutta, and Madras Price 3s 6d each net.

(Reviewed by F R SCATCHERD)

Referring to the "most wonderful" works of Charles Dickens, the serious motive of which was the remedying of social abuses, the Bishop of Birmingham, speaking at a recent dinner at the Authors Club, said that many social ills "could be better healed by a novel writer than by a Parliamentary orator.

Books which, while telling a fictional story, expose an actual danger," have again and again led to reforms, otherwise undemanded, through apathy, the fatal offspring of ignorance, and this series will undoubtedly contribute to such desirable ends.

"Tales of Bengal are selections from the writings of Santa and Sita Chatterjee, daughters of Baku Ramananda Chatterjee, the gifted editor of *Prabasi*, a Bengali monthly and of the *Modern Review* (in English) which might be called the Indian *Review of Reviews*.

"Effective criticism of a society comes best from those who are members of it. It is an immense gain to any nation that its society should be seen through the eyes of its own intellectual countrywomen, and Indian society in its public aspects and activities means Indian men." These vital words, from the introduction by E. J. Thompson, set forth admirably the great value of these tales for Indian readers. But they should prove hardly less useful to the Anglo-Indian and other students of Indian psychology. The late Mr J. D. Anderson, a leading authority on Bengali literature, thought highly of the work of these gifted sisters. Santa Chatterjee, an artist as well as writer, has contributed a frontispiece. It is to be hoped that few Indian girls have counsellors as questionable as *Taradidi* in the "Ugly Bride" and that Indian husbands are not often as badly deceived as was the poor bridegroom. "Loyalty" is a touching and pathetic tale, and "The Wedding Dress" is full of quaint interest.

"Srikanta," says E. J. Thompson, is mainly autobiographical, and is written round Mr Chatterjee's favourite social theme—the position of women of the unfortunate class.

Saratchandra Chatterjee was born in Bengal in 1876. Like Fergus Hume, his first published story (1913) made him famous, and he tells us he is perhaps the only writer in Bengal who has not had to struggle.

The earlier chapters deal with the adventures of two Indian boys, and bring the foreigner into the closest touch with the Bengali outlook upon life. Indranath is an elusive and fascinating boy of heroic character and strange courage. One longs to hear more of him. Page 150 contains an

indictment of the caste system, most instructive as coming from such a source. The present work forms only the first part, and readers of that will anxiously await the translation of the second and third volumes.

THE EAST IN THE LIGHT OF THE WEST By Rudolph Steiner, PH.D.
(Vienna) (*G. P. Putnam's Sons*, London and New York)

The translator, H. Collison, tells us that Dr Steiner often quotes the significant words of General Smuts, who said that the world's statesmen must now turn their eyes from the North Sea and the Atlantic to the Pacific, the immediate meeting point of East and West.

The introduction by Mr George Kaufmann is perhaps the most valuable part of the book as it shows the connection between the spiritual and practical side of the questions dealt with by Dr Steiner a connection the average reader might fail to discover for himself. Writes Mr Kaufmann

"Thoughtful statesmen and observers of world politics know full well that the greatest and most real problems of the present and of the immediate future concern the relationship of the East and West. They are problems of life and death in the material as well as in the spiritual, sense

Dr Steiner's attempt to throw light on these problems must prove of interest to all serious students of human life and destiny

F R S

Excellent bound and printed, the "Kipling Anthology" (prose), issued by Macmillan and Co., St Martin's Street, London price 6s net, will earn the gratitude of all lovers of "Kim" and the "Jungle Books." Is there to be a companion volume in verse?

NEAR EAST

EGYPTIAN ART INTRODUCTORY STUDIES By Jean Capart translated
by Warren R. Dawson (London *Allen and Unwin*) 1923
16s. net.

(Reviewed by H. R. HALL)

The interest in everything Egyptian that has been stirred up by the discovery of Tutankhamen's tomb makes the present a very appropriate time for the appearance of Mr Dawson's translation of the first part of M. Capart's 'Leçons sur l'Art égyptien.' M. Capart is well known as the keeper of Egyptian antiquities in the Brussels Museum and as a writer on Egyptian art. His 'Leçons' were printed, owing to post-war conditions, in 1920, without illustrations. A book on art without illustrations is to our minds something like Hamlet with the Prince of Denmark omitted, in fact, a book on art without illustrations would in England simply not be read. But the French (and also the Walloons of Belgium) are accustomed to do without pictures and to trust to the lucidity and precision of the French language in specification and description to do all that is necessary to make the cultivated reader understand the subject matter.

Mr Dawson, however, has of course illustrated his translation with well chosen photographs, most of them of works of art not too well known to English readers, and without the well worn *clicks* to which we are so used. For this relief much thanks! Plate LXII., especially, the excavated *serdab* of a IVth Dynasty tomb, with its funerary statues in position, is of great interest, and the famous little figure of the man carrying a vase, in the Liverpool Museum, finds its worthy place among the masterpieces (Pl. LXIV). The frontispiece, appropriately of an object in the Brussels collection, is a grand head of the god Amen which may be a portrait of King Tutankhamen.

M. Capart's book deserves Mr Dawson's praise of it as one of the most readable and interesting accounts of Egyptian art that has yet appeared. Its whole character is distinctly original, and the chapters on the historical development of Egyptian art and on the art of archaic days are extremely good, as was to be expected from M. Capart, who has made a special study of the early period. In dealing with the history, however, while agreeing wholly with his view that the German system of dating for the Old and Middle Kingdoms is too low, and that there must be something wrong here, we are not inclined to follow him so far in the direction of Professor Petrie's early dating as to admit the validity of Dr Borchardt's calculations, which indeed have been shown to be quite unreliable by Professor Peet. It is to be regretted that they have been included in the book at all (p. 42). Professor Petrie's dates seem merely more incredible than those of the Germans, which Breasted adopts. The evidence from Crete supports the German dates rather than those of Petrie and personally we do not think that the German dates are more than two centuries out (see 'Ancient History of the Near East' (1920), p. 23 ff.).

The chapters translated are those introductory to the main body of the "Leçons." They make a fine volume in themselves, well printed and produced, and reflecting credit on the publishers. Mr Dawson has done his work as translator faithfully, and has contributed a useful preface. One is grateful to meet in him a translator who is himself entirely *au courant* of the subject translated. Not long ago we saw a book (that shall be nameless, indeed, we have forgotten its name) on Egyptology, translated from the German, in which we read with amazement of "the temple of the god Courage in Assyria." It sounded slightly Assyrian, perhaps more Roman. Will it be believed that the original spoke of "the temple of Mut in Asher"? Mut being the Egyptian goddess worshipped in Asher a part of the modern Karnak.

There is a misprint "Seshork I (Sishak)" for "Sheshonk I (Shishak)" on p. 40.

GENERAL

A GUIDE TO DIPLOMATIC PRACTICE. By the Right Hon. Sir Ernest Satow
2 vols. (Longmans) 42s. net

The above is a revised edition of the work first published in 1916, which was in fact the earliest of its kind in England. The distinguishing feature

of the new edition is the enlargement of the space devoted to conferences. The pages dealing with the Peace of Versailles are of special interest.

Although the subject would appear somewhat too technical for the general reader, it is nevertheless true that without some knowledge of the practices of diplomacy it is impossible to follow intelligently the relations between States. It is only by such study that "official correspondence can be gauged at its proper value. We also commend the following quotation of the author to the student of international politics:

"Plus on se familiarise avec les langues étrangères plus disparaissent ces préventions, ces haines nationales que la différence des langues ne contribue que trop à entretenir

FRENCH BOOKS

HISTOIRE DE L'ASIE. By René Grousset. In 3 vols. (Paris *G. Crés*) 60 fr.

The present work is designed to cover the history, the civilizations, the religions, the philosophies, and the arts of Asia, and is particularly useful as a work of reference. In view of the enormous material at his disposal the author has acted wisely in grouping his narrative according to the principal civilizations. Thus he distinguishes a Nearer Eastern civilization extending from the times of the Chaldeans to the Muhammadans, influenced but not modified, by Greece or the Crusades. He then describes the world of Buddhism, and follows this with a volume devoted to the study of the Mongol invasion in the Far East. An English translation should prove very welcome.

VISIONS SOLAIRES. By Constantine Balmont. (Paris *Bossard*) 7 fr. 50 c.

M. Savitzky has here translated a selection of travel chapters from the works of this talented Russian author, who sang the praises of Shelley to his own countrymen. The descriptions include Mexico, Egypt and Oceania. There are also two highly imaginative poems in honour of the Ganges, and a Maori short story. The general character of the book is summed up by its title, which reflects his own philosophy: "Je suis venu au monde pour voir le soleil."

IMPERIAL CITIZENSHIP. By Lord Meston. (*British Association*)

(Reviewed by H. S. L. POLAK)

Addressing the British Association last year on this subject, Lord Meston dealt skilfully and lucidly with Imperial citizenship as a status. Defining a "citizen" as one who "has a right to enter any part of his State, and has, when resident, the same rights to live, to earn a livelihood, to be protected by the laws, to vote for the Legislature, and to sit in the Legislature, on the same conditions as his neighbours," he is also required to obey the laws, to pay taxes, and to share in the defence of the country on the same conditions as his neighbours," he concludes that "Imperial citizenship, as a status of universal and uniform validity throughout the

Empire, does not exist,' and that it "is unattainable so long as there are grave divergencies of civilization applied to the ordinary observances of life

Nevertheless, Lord Meston realizes that 'claims to civic status are constantly being pressed by or for communities from whom it has been withheld, and that they "are likely to become more insistent as calls are made on those communities for common services, or for conformity with common standards. He recognizes them as "a permanent basis in the growth of racial consciousness, in what Mr. Lothrop Stoddard calls the rising tide of colour. They are meant primarily as a protest against implied racial inferiority, as an assertion of racial self respect. The result of failure to appreciate this demand will be "increasing embarrassment in our task of Imperial unity. It will certainly be a growing lack of spontaneity on the part of the claimants in their response to future Imperial calls upon them.

Lord Meston lays down, as qualifications for full Imperial citizenship (1) The attainment of a similar type of constitution, (2) submission to a uniform system of administration, and (3) the acceptance of a common code of jurisprudence, and declares that not only is India ripe for an extension of Imperial citizenship to her upon this basis, but that "it is a paramount political necessity. Whilst looking with suspicion equally upon the method of Caracalla and the policy of "reciprocity laid down by the Imperial conference, in 1917 he thinks that the following threefold line of advance could be successfully taken—namely, frank discussion either direct, or *via* a Royal Commission between India and the Dominions and Colonies, propaganda of the doctrine of Imperial citizenship among ourselves as an evangel for all the higher strata of civilization in our Commonwealth, and not for the white races alone and co operative effort in India carrying the reforms to their logical conclusion in real Dominionhood 'not a merely ceremonial partnership in our Imperial federation.

TO AWAKING INDIA By S E Stokes Pp 45 (Madras Ganesh and Co) As 8

(Reviewed by MARY E R MARTIN)

This small book is of some importance as it explains plainly and simply the economics of Swadeshi though the arguments employed may not be able to convince all its readers of the rightness or wrongness of the boycotting or the burning of foreign cloth. There is probably no doubt about the fact that the raw Indian products sent to England to be manufactured are resold in India at a vastly increased cost and this is described by Mr Gokhale as 'bleeding the country. This alone is a loss serious enough to cause a radical change to be made. One does not desire Lancashire to be starved in order to benefit India, but one does desire wholeheartedly that matters should be so readjusted that India should not be obliged to sell in the cheapest and buy in the dearest market. Mr Stokes points out very forcibly that there is no guarantee that mills will not be set up in India by foreign companies paying their

dividends to stockholders living in Europe, and he also writes that neither will cheap clothing be provided by Indian textile mills run at a profit, but only by the people themselves spinning their own cloth. It would be interesting to learn the figures stating the number of handlooms in use before the non-co-operation movement and the number now in use. It is always easy for enthusiasts to make out a good case, but to the reader accustomed to weigh facts it will seem that although self-sacrifice is a very beautiful thing, it can scarcely be insured that those who preach this doctrine can be trusted to do their work without intimidation, violence, and cursing. The suggestion made, that all those who burn foreign goods and buy home-made cloth, should also buy sufficient cloth for one poor person, seems eminently practical.

CHRIST AND LABOUR By C F Andrews Pp 146 (Madras Ganesh and Co) 1922 Re 1 8

(Reviewed by MARY E. R. MARTIN)

This book is dedicated to the social and agricultural workers of Surul Farm at Santiniketan, where Dr Tagore's famous Bolpur School is situated. Mr Andrews, writing from a strong Christian point of view, divides his book into three portions, the Roman Mediæval, and the Modern world. In the Roman world, towards the latter end, two problems became very acute—slavery and property, the capitalists of that time employing gangs of slaves to work their huge estates under appalling conditions of suffering. As regards property after the Fall of the Roman Empire, all social and religious restraints broke down, and the wild rush to accumulate riches by greedy adventurers also extended to the noblest families of Rome.

In the Mediæval world, the monasteries and guilds were some of its main features. The monks taught the value of lives spent in the service of others, in contrast to the hermits of the Egyptian deserts who were merely ascetics. The two important economic doctrines practised throughout were the "just price" and the "sin of usury, and these doctrines, as Mr Andrews aptly remarks, are "singularly modern in their application.

The Modern world occupies the largest space, and includes the reformation, industrial revolution, economic and British imperialism, Christ's social teaching, natural growth of society, and the revolutionary environment. The history of one period seems to contain the clue to another, so to understand modern Indian labour problems, it becomes necessary to study the spiritual conflict of the European reformation. The industrial revolution was the over throwing of hand made and hand worked industries by mechanical inventions. In the chapter on British Imperialism, the writer warns his countrymen, against "the cant of self-congratulation and praise." In his concluding chapters, Mr Andrews sets forth the central principles of Christ's teaching regarding labour problems. Christ

ianity is often blamed for many sins, but it is not Christianity which fails, but those who bear Christ's name and fail to carry out His precepts.

FROM BERLIN TO BAGDAD AND BABYLON By the Rev J R Zahm
C.S.C, LL.D (*D Appleton and Company*) 218.

(*Reviewed by H CHARLES WOODS*)

Dr Zahm tells us in the foreword that his book is the result of observations made and impressions gained during a recent journey from one of the greatest capitals of Europe to what was once the most important capital in Asia, and that he travelled not as a tourist, but as a student interested in the present and the past of the countries which he visited. For these reasons, and because of his power of observation and knowledge of history the author's experience was in many ways like that of passing through a vast museum—a museum full of contrasts and of things of enthralling fascination.

The book is clearly written by a student and intended for students. But an attempt has been made to appeal also to the general reader, for it contains chapters upon such subjects as the Danube, Constantinople, motoring in the Garden of Eden etc. The adoption of such a course will undoubtedly increase the circulation of the volume, but, considering the scope of the subject it is useless to disguise the fact that the copious extracts, given from the books and articles of other writers, cannot be effectively dovetailed into a work which contains the somewhat everyday descriptions given of such world famous sights as Santa Sophia and the Galata Bridge.

Perhaps the most interesting chapter is that devoted to the Bagdad Railway. Here the author puts the events which went before the inauguration of the German scheme, and the negotiations which led up to and followed the granting of the concession for the construction of the line to a German Company, in their proper perspective. The question of linking the Mediterranean with the Persian Gulf had been discussed for the greater part of last century and Great Britain Italy, France, and Russia had all demonstrated a certain interest in it. The Germans finally succeeded, as a result of their very careful work in Turkey, of their efficient European diplomacy, and of the ability of Baron Marschall von Bieberstein, who was certainly the most influential of all the Ambassadors at Yildiz. But whilst they secured the right to build the line, they (the Germans) soon discovered that there were many financial difficulties to be overcome—difficulties which were only natural, considering the obvious reasons for which they desired to construct the railway.

The author describes the route traversed by the Anatolian and Bagdad railways, and he has interesting things to say about Eski-Shehr and Konia. Instead of traversing the entire Taurus Range by railway—if, indeed, that section was completed at the time of Dr Zahm's journey—he preferred to drive through the Cilician Gates to Tarsus, and he was naturally and rightly struck by the beauties of the road then followed. Bagdad seems

to have impressed him, and in addition to a description of that town the author provides some account of its more eminent Caliphs.

On the whole, the book will be interesting to the reader, and especially to those who desire to obtain a bird's-eye view of the country through which our traveller passed. The published English price seems somewhat high, especially considering the fact that there are no maps and no illustrations.

ORIENTALIA

BEHULA THE INDIAN PILGRIM'S PROGRESS. Free translation from the original Bengali by Dr Dinesh Chandra Sen, with Introduction by Captain J W Petavel. (Calcutta *Cambray*, Rs 2) (2s 8d.)

(Reviewed by F H BROWN, C.I.E.)

Bunyan's great work is not a prototype of this Bengali story, which was shaped probably a thousand years ago and the oldest extant manuscript of which goes back to the twelfth century. There is circumstantial evidence that in moving power it falls far behind the allegory of the Bedford tinker in the fact that this is the first translation into English. In the practised hands of Rai Bahadur Dinesh Chandra Sen the translated story is told with simple directness, and in other ways there are points of analogy with Bunyan's immortal work. But the similarities with the most ancient of Biblical stories, that of Job, are still more pronounced. The story centres round the determined refusal of Chand Sadagar, a devotee of Siva, to worship the goddess Manasa Queen of Snakes, in ignorance of the fact that Siva had ordained that without such homage from Chand she would have no permanent place in the shrines of men. One blow of misfortune and bereavement after another fell upon him at the hands of the offended deity. He has a house full of widowed daughters-in-law, and when his last and seventh son is to be married, he takes the most elaborate and costly precautions to guard against his death from snake bite on the wedding night. But they are vain, and the distracted bride widow determines not to leave the corpse when it is placed on a raft to be carried down the sacred river. Her perilous devotion is rewarded after months of floating by his restoration to life by Manasa Devi, together with his six brothers. Chand is rebuked by Siva, disguised as an old man, for imagining he had conquered desire, and thinking he could find salvation in his own strength and austerity. Human weakness and the need for divine grace are set forth in language not dissimilar to some Pauline passages. The story is commonly accepted as describing the conflict between philosophical Hinduism and popular beliefs and superstitions, and with philosophy accepting a compromise in the end. It exposes the dangers of asceticism unless the heart goes with the self abandonment. From this unlikely background Captain Petavel is somehow able to devote much of his introduction to his well known proposals for co-operative farming and other work as a means of overcoming Indian poverty. He admits, however, that the pages thereon are a digression.

THE BĀBUR NĀMA IN ENGLISH (Memoirs of Bābur). By Zahiru d-din Muhammad Bābur Pādshāh Ghāzi. Translated from the original Turki Text by Annette Susannah Beveridge. 2 vols. (London *Lusac and Co*, 1921)

(Reviewed by SIR THOMAS ARNOLD, C I E., LITT D)

Good autobiographies are few in number, rarer still is it to find an autobiography written by a personage who has played a foremost part in the world's history. Such considerations have led students of literature to assign a high place to the Memoirs of Bābur, with their lively presentation of a virile personality, fearless, sagacious, and frank in his judgment of himself and others—able alike as statesman and general—poet and lover of flowers and beautiful landscape. The importance of this work for the history of Central Asia and of India, during the early decades of the sixteenth century, has been fully recognized ever since Erskine published his translation of it in 1826, and the literature that has grown out of Erskine's translation has attained considerable dimensions. But until the publication of Mrs Beveridge's volumes, an adequate presentation of this remarkable autobiography has been lacking in the English language. Bābur wrote in Turki, in a restrained, terse, and simple style, Erskine, having little acquaintance with the Turki language, made use of a Persian translation that had been prepared for the Emperor Akbar, and though he revised his work by means of a tentative translation from the Turki original found among Dr Leyden's posthumous papers, the result was far from being an adequate representation of Bābur's text, for neither Persian as written in India at the time of Akbar nor English as written in the reign of George III, were congenial media for so direct and unsophisticated a usage as Turki. In Bābur's Memoirs, moreover, "le style est l'homme même," and his choice of language and phrase constitutes part of the self-revelation of the man. But apart from these considerations, Mrs Beveridge has brought to her task an intimate knowledge of the history of Central Asia and India during the sixteenth century, such as none of her predecessors had possessed, and by diligent search she has been able to use manuscripts fuller in content and more reliable than Erskine or Leyden had known. Among these, the Haydarabad Codex, which there is reason to believe was copied from Bābur's autograph, was published by her in facsimile in 1905. Her translation therefore, is a notable appearance in English orientalism, we now have the real Bābur in English dress for the first time, with elucidations of every detail that calls for comment. This authoritative version should now take the place of all previous translations and compilations, for it marks a distinct step in our knowledge of Bābur and his period.

PERIODICALS

BULLETIN OF THE SCHOOL OF ORIENTAL STUDIES. Vol II., Part IV
(*Lusac*) 6s

The new volume contains a series of papers on subjects of interest to Oriental scholars, book-reviews, and notes and queries. A contribution,

entitled "Chinese Records of the Arabs in Central Asia," throws light on the military activities of the Arabs in that region, and also on their diplomatic relations with China. The records in question are chiefly from the late Professor Chavannes' "Documents sur les Tou Kiue Occidentaux," and his "Notes Additionnelles sur les Tou Kiue Occidentaux." These reveal no less than nineteen Arab embassies to the Court of China between the year 716 and 759. Regarding the purpose of these missions, the author has two theories to bring forward. "They may have had political objectives—as, *e.g.* an alliance or understanding against their common enemy the Western Turks. Or they may have been commercial missions, intended to foster trade relations, particularly in the matter of the overland silk trade. He also refers to the times when "from all quarters of the continent, from the steppes and the mountains, Indians, Arabs, Koreans, Tibetans, Japanese, Turks, Annamites, pass through the same audience chamber, each with their complaints and demands and quaint menagerie of presents. Little they ever brought back but fair words and grandiose titles, but it would be strange if there were not in a few finer minds at least, some vision of that breaking down of barriers after which Asia—and Europe, too—still strive."

The editor must be congratulated on the excellence of this issue, which also includes papers by Sir George Grierson and Mr. Lionel Giles.

LA REVUE PACIFIQUE. (Paris, and *East and West, Ltd.*, London)
80 francs per annum

The above periodical, which is now in its second year, fully justifies its ambitious title. Commencing with its first issue at the beginning of last year it has studied profoundly the proceedings of the Washington Conference, and in the March issue of this year that work is continued. It would be very useful if this series of articles could be made available in book form. Mr. L. Robert contributes a valuable and impartial paper on Korea. After summing up the benefits that have resulted from Japanese rule, the writer adds "Conquered or subjugated peoples do not always rate at their proper value the advantages of a civilization that has been imposed upon them. Korea was poor and miserable but independent when she regretfully accepted Japanese domination in 1906. Though the benefits of the new rule are doubtlessly appreciated by a section of the population even the most enlightened, who recognize the great efforts made by Japan, cherish the hope that some day Korea will regain her independence."

Frenchmen are able to write on Pacific problems with an air of detachment which makes their views particularly interesting to us. For this reason, apart from its general excellence we commend *La Revue Pacifique* to students of Far Eastern politics.

NETHERLANDS INDIES REVIEW (Abbey House, Victoria Street, S W 1)

The March issue contains an interesting supplement on the Isle of Bali, which lies immediately to the east of Java. The writer is Mr

Charles Morrell the Java representative of the British Chamber of Commerce for the Netherlands East Indies. The religion of the Balinese is a form of Hinduism, during the ninth century and later Hindu princes ruled the island. The fall of the Hindu empires in Java did not affect Bali, and the conquest of Java by the Muhammadans was not followed by an invasion of the island. Consequently the religious customs of the inhabitants are of special interest to ethnologists.

It may be mentioned here that Miss T de Kleen, who has paid a prolonged visit to the island, has now returned with a large collection of wonderful drawings illustrative of the religious rites and costumes of the islanders. These are now on view in a room placed at her disposal by the Royal Geographical Society

SHORTER NOTICES

SUMMER ISLES OF EDEN By Frank Burnett. (*Sifton Press*) 218 net.

The art of writing successful travel books is one that many believe that they possess, but very few really master. Mr Burnett has already given us 'Through Tropic Seas' and "Through Polynesia and Papua," and those who have perused these charming volumes will know what to expect, nor will they be disappointed. Leaving Canada he first visits the Fijis, and then skirts Australia on the way to Malaya, returning via Japan.

BOOKS RECEIVED

"India's Parliament, Vols II and III (Government Press, Delhi), 'Moral Instruction, by Hai Gaon translated by H Gollancz (Milford) 10s. 6d net. 'A Short History of the Fatimid Khalifate" by Dr De Lacy O Leary (Kegan Paul), 10s 6d net. 'Into the East Notes on Burma and Malay, by Richard Curle, with a Preface by Joseph Conrad (Macmillan), 10s 6d. net, "A Manual of Buddhist Philosophy, by Dr W M. McGovern (Kegan Paul), 10s 6d. net

OBITUARY

T W RHYS DAVIDS

At the ripe age of seventy-nine, Professor T W Rhys Davids passed away at Chipstead Surrey, on December 27, 1922. The last few years of his life had been greatly hampered by physical pain, so that death came as a relief from suffering. Personally I received the news of his passing over with great grief, for I lose in him one of my best friends, a man for whom I had the highest admiration and respect, a man whose prominent trait of character was kindness, gentleness, and sympathy, who in a supreme extent was possessed of the *Metta*, the Great Love towards all beings, which he was so fond of quoting as one of his chief ideals and standard of life with the well known passage from the "*Itivuttaka*," which, in his own translation runs "Just as at the dawn of day, when the night is passing, the Morning Star shines out in radiance and glory—just so all the means that can be used as helps towards doing Right avail not the sixteenth part of the Emancipation of the heart through Love."

So I remember him, although weak in body of late, yet strong in mind, great in thought enthusiastic in his work when we conversed in the cosy study at Chipstead from which a wide view of the rustic country of Surrey could be obtained and where one felt the presence and reality of the ideals of mankind so well, when we talked about the history of these ideals, the great philosophers who had preached these ideals (with whom one could not help associating *him* as well), and, above all, the *one* great Gotama to the description of whose life and teaching *he* had devoted his own life and teaching. Surely the effect of such a man and friend cannot pass away with his bodily frame, the touch of his soul will be felt not only in myself but in countless others as well. Now *he* has found Nibbāna, may be, of which he was such an eloquent interpreter, and which he has described so well in his versatile language, and to the discussion of which as an ideal of ultimate happiness and bliss, as the crown of the highest optimism, he would always revert in his talks with me. So I remember him as my *kalyāṇa mitra*, and I may say of him what Pīṇḍiya said of the Master ("Sutta Nipata, v 1142 " *Passāmi nam manasā cakkhunā va rattin-divam, appamatto namassamāno vivasemi rattim, ten eva maññāmi avippavāsam*).

His career as a scholar is a varied and multifold course of events, beginning after the finishing of his University studies with the Civil Service in India (Ceylon), where he was first led to acquire a first hand knowledge of Pāli and to make the acquaintance of Buddhist civilization. An ardent desire to make the Buddhist Scriptures accessible to European

scholars never left him, and after his return to Europe was the direct stimulus to the formation of the Pali Text Society by him, the President of which he has remained for forty years, and the institution and working of which has been one of the greatest achievements of modern literary undertaking on a private basis, even excelling Max Muller's "Sacred Books of the East." For this alone his name would be immortal were it not also for many other facts. All his energies, his thoughts, his aspirations, were directed to the upkeep of the Society, the results of which he reaped in later years with deep satisfaction. More than one text he has critically and accurately edited himself among the publications of the Society. Inseparably coupled with his name, not less with reference to the Pali Text Society than to all his achievements of later years, is that of his distinguished wife, Caroline Augusta Rhys Davids. It is she who now fitly and deservedly takes his place.

The outcome of his studies in Ceylon was, besides smaller publications, the great classic of Numismatics—viz., the "Ancient Coins and Measures of Ceylon" (1877). The same year saw his first great historical work published, which has since then had over twenty editions. "Buddhism Here a successful attempt was made to separate truth and fiction which were so dangerously intimately blended in Spense Hardy's "Buddhism up to then the classic on Singhalese Buddhism. His acquaintance with R. C. Childers strengthened his interest in Pali. In London, while officially active as a barrister, he began his *real* studies of Pali and historical Buddhism as he often said to me, with his translation of the Introductory Book of the Jātaka tales ("Buddhist Birth Stories" one volume, 1880) which laid the foundation of his exceedingly intimate familiarity with the whole of the Jātaka tradition. The congenial field of the Canonic Law of Ancient Buddhism he tilled together with Hermann Oldenberg in the translation of the two first sections (Vaggas) of the "Vinaya Pitaka" (most of the *second* section is his translation) in three volumes (1881-1885) under the title of Vinaya Texts. The work, owing to the condition of the Pali Text and the subject matter, is in need of many corrections, still it is full of valuable information and a document of sound textual criticism. Another, more advanced, translation is that of the "Milindapañha," published in 1890 (in the "Sacred Books of the East").

His religious philosophical bent led him from the more intimate study of the Buddhist Scriptures on to a wider range of Comparative Study. Here deserve to be mentioned his "American Lectures on Buddhism" (1896) and many smaller contributions and essays. His appointment to the chair of Comparative Religion at Manchester University (1904), after having been Professor of Pali at London University since 1882, was a consequence of this side of his activity.

The historian once more showed himself to advantage in his "Buddhist India" (1903). In graphic and vivid strokes he here gives us a picture of India under the influence of Buddhist culture. The language of the book is clear and to the point, the material is sifted and sound historically.

Another little book which must be mentioned as founded on historical studies of his later and more mature years, and which he himself considered as the best that he had ever written on the subject is his "Early Buddhism" (1914).

In 1912 he retired from public duties, and soon after the outbreak of war moved to Chipstead (Surrey). Here he brought to perfection (besides seeing the whole of the Canonical texts published in Pali Text Society editions) especially two plans and ambitions of his life. The first one was the printing of the translation of the "Digha Nikāya," or long collection, under the title of "Dialogues of the Buddha." This was begun in 1899 and the third and last volume was published in 1921. Here, too, his faithful and intelligent wife has been a great help to him. We do not hesitate to say that the "Dialogues" are the most important product of his genius, and are especially valuable for the critical introductions to each section. Here the historian, the poet, and the philosopher were most happily combined. As the years passed by he grew more and more anxious about the other one of his life-plans, the publication of the "Pali Dictionary," for which he himself had collected such an abundant mass of material during his long life and his extensive reading. The need of such a dictionary, which should be based on the Pali Text Society editions of the Sacred Texts and their commentaries was most urgent, and all Pali scholars were, since 1908, agreed on the realization of such a plan. It is not the place here to enter into the history of the scheme: all former plans were frustrated by the war. In 1916 we discussed the scheme anew, and decided that I should undertake the work with his help and under his guidance. I owe him a great deal of instruction and advice, and regret that during later years he could not give me as much of his help as I should have liked, as his failing health more and more hindered him just when the work was at its most important stage. He revised my work up to the letter P. It was a great pity that he was called off even before seeing half the work published. Still, with all that, the foundation and inspiring genius of the work are his own, and I am grateful to him as his pupil as well as his colleague.

In his method of work he always emphasized the importance of *facts* in the interpretation of historical documents and their expression in language. The 'Dictionary' should primarily be a statement of facts in historical order, the words were to be given in their history within the field of Pali. The disadvantage of this scheme is often evident, as with this the independence of Pali is unduly put forward, and the sphere of meaning too restricted. Yet it is a sound principle, and to be welcomed, as checking the other extreme of abstraction and suffusion of meaning. Sound was also his opinion as to the close affinity between Vedic and Pali and the high age as some Pali idioms. True that he often placed too much credit on facts of narration, which are, indeed, often purely allegorical representations of half truths, as seen with the untrained eyes and minds of faithful believers of old, among whom we have to include even the enlightened commentators of the holy texts. Thus it came that Rhys Davids placed

a certain discredit on etymologies, which he used to call fanciful play. But, on the other hand, he was a scientifically trained mind, who always warned not to put Abhidhamma ideas and constructions into the simpler word and teaching of the Suttanta pitaka. Facts and history were always his coins and measures.

His life was favoured by ease and opportunity, by travels and all other helps of self-education, yet it was full of struggle, and it had its share of sorrow and illness. His genial nature, however, would never let the latter gain the upper hand and spoil his character, and so it came, that he was contented and serene up to the last days of his age and passed away peacefully.

All resolute, and with unshaken mind,
He calmly triumphed o'er the pain of death
Even as a bright flame dies away, so was
The last emancipation of his heart ("Dialogues," II 176)

W. STEDE.

NEAR EASTERN NOTES

BY F R SCATCHERD

I—PALESTINE THE WORK OF BRITISH WOMEN IN THE ORIENT

THESE outspoken letters,* written from Palestine during the spring of 1922, are extremely individual and should be read by all interested in the future of that country

Palestine, we are told, is once more the centre of bitter strife, and it is useless for politicians to assure us of the existence of peace where there is no peace, nor, under present conditions, any future chance of its prevailing. Zionism must be subjected to drastic supervision, and the interests of the present landowners must be immediately safeguarded.

"The surest way to restore the confidence of the Muslim-Christian population would be to place it at once under *genuinely* British rule, with a non Jewish High Commissioner and an equally non Jewish Administration."

Political, social, and religious questions are dealt with in vivid descriptions, which, despite the writer's strong opinions, are fairly impartial since she never conceals her personal point of view and can perceive that of those who do not share it.

A fine tribute is paid to the C M S schools for boys, established when there was not the smallest chance of Palestine passing into British hands. Miss Pullen Burry declares them worthy of the highest praise. So far as is known to her, no other religious body attempts anything approaching their standard.

"The teaching in the Greek Church schools is an unknown quantity, the Latins aim at making their pupils, before everything else, good Catholics, their object being to extend the power of their Church, *the English alone, in their missionary work, have educated the natives to benefit their own race and raise the standard of their culture*."

In her opinion, as a world wide traveller, nothing surpasses the capacity of Englishmen in dealing with races less advanced than their own.

IA—BRITISH WOMEN'S WORK IN THE ORIENT

Miss Pullen Burry draws attention to yet another educational scheme, which must do much to raise the low status of the women of Palestine—one of the greatest obstacles to advance in ethics and true civilization.

Miss Warburton is devoting her time, energy, and money to the founding of a Central College for Girls at Jerusalem, on the English High School plan. Practically the first Englishwoman to enter the city after

* "Letters from Palestine, by B. Pullen Burry, F.R.G.S., F.R.A.I. (London 62, Oxford Street, W.) Price 2s

its conquest, Miss Warburton was asked to care for the orphans and small children, many of whom were starving

The Palestine Administration has addressed an official letter to Miss Warburton, wherein—

“The Government attaches the greatest importance to educational institutions that devote themselves to the training of the characters of their pupils, with results so successful as those attained by Miss Warburton in her school, and regrets that it is not able, with the funds at its disposal, to cover the whole field of education and may add that the religious instruction is confined to the *ethos* of Christianity, but whatever the creed, the children have to attend this class.

Miss Warburton is also keenly alert to foster the recent *rapprochement* of Moslems and Christians facilitated by the present political situation. That they show a real and earnest desire for education for both boys and girls, she regards as a very healthy and hopeful augury for the future.

We most heartily agree with the writer, that when this college is completed and the aims of the founder begin to materialize, it will mark an epoch in the work of British women in the Near East

II — BRITISH COMMERCE IN THE NEAR EAST

Does not the British commercial world realize that in permitting the eradication of the Greek communities from Anatolia, ‘we have committed economic and political suicide in the Near East?’* asks a pertinent correspondent in the *Morning Post*. The writer goes on to point out the vital distinction between trade with the Turks and trade with Turkey. British firms in Constantinople or elsewhere in the Ottoman Empire, which trade with the Turks direct, do so, he tells us with the assistance of Greeks or Armenians

“Take the large trading interests built up by our British Levantine trading families whose ramifications extended from Constantinople and Smyrna to the furthestmost confines of the Ottoman Empire. Their trade was never built up by Turks, but by Greeks and Armenians and it is these two peoples who have ever been both the foundations and structure of British Commerce in the Near East. They have now been eradicated wholesale, and Great Britain has calmly permitted the destruction of the very basis of her commerce. Needless to say the Russians, the Germans, and our other competitors and rivals are delighted, for now they will get a footing where previously they were afraid to tread.

“Up to about twenty years ago this trade† was in the hands of Greeks, and the grain market was England. The Greeks were subsequently ousted and the Jews took their place, whereupon the grain market shifted from this country to Hamburg. The same thing will assuredly happen with our trade in the Near East.

* The *Morning Post*, March 12, 1923

† Grain trade of South Russia.

III — THE DODECANESE

It is stated that the Italian authorities at the Dodecanese are continuing oppressive measures against the population. They have insisted on the resignation of the local municipal authorities who have not proved amenable to Italian methods and have not prevailed upon the people to accept the decree for census. Now they have proclaimed martial law and established a blockade, becoming increasingly harsh from day to day.

The people seem in a state of despair. Surely these measures are bound to result in serious consequences. The people have nearly exhausted their scanty means of subsistence, and there is an imminent danger of shortage of foodstuffs.

The situation is aggravated by the presence of a great number of refugees.

IV — MR POLITIS STATEMENT IN LONDON

Speaking at the Anglo-Hellenic League, on his recent visit to Athens, Mr Harold Spender gave an impartial and masterly analysis of the situation under the present revolutionary Government. Mr Spender confirms, in essentials, the lucid and exhaustive reply of M. N. Politis, twice Minister for Foreign Affairs in Greece, to the criticisms of the French press directed against the revolutionary Government in Greece.*

The recent crisis in Greece, M. Politis tells us, originated with the elections of 1920, resulting in the fall of M. Venizelos, an event which astounded many, including M. Venizelos himself. Probably, explains M. Politis, a small majority of the Greek people sincerely believed that with the signing of the Treaty of Sèvres, the demobilization (which M. Venizelos was too honest to promise) would take place and usher in a new era of peace and well-being.

From that hour all went ill. The Powers ceased to regard Greece as an ally, all support was cut off, and those at the head of affairs were incapable of adapting themselves to the altered conditions. Informed of the consequences of the restoration of King Constantine, December 2 and 4, 1920, the Government, nevertheless, organized a pseudo plebiscite, and two weeks later Constantine re-entered Athens amid the wildest rejoicings of the populace.

The hostility of the Powers rendered more imperative the keeping of the election promise of demobilization, since it was now impossible to continue the campaign in Asia Minor against an enemy doubly reinforced by the agreement with Moscow and the attitude of the Powers. Yet the Government rejected the peace proposals of March, 1921, and reopened hostilities which resulted in a severe defeat. Anxious at any price to conceal this defeat, a new offensive was launched, eventuating in the occupation of Eski-Cheir and Afion Kar Hissar in July. Now was the time to have made terms. But, intoxicated by success and disregarding all counsels to the contrary, in September, the conquest of Angora was attempted and defeat sustained on the shores of Sankaria.

Again concealing the failure of its policy the Government refused to

* "La Crise grecque," à la Cour de Cassation. La Conférence de M. N. Politis (*Journal des Hellènes*, février 11, 1923).

recognize the changed circumstances. For the Treaty of Angora, October, 1921, had determined the policy of France against Greece. Italy had similar undertakings with Kemal, and in England public opinion became more and more pro-Turk.

For a brief moment the governmental chief appeared to see affairs in their true perspective. He perceived that without extraneous help in money and supplies, the army—demoralized, ill fed, badly equipped and worse commanded—could no longer maintain its vast front in Asia Minor. The British Government, in reply to his appeal, contented itself with expressing the view that the apprehensions of Greece seemed very exaggerated.

The one thing that the Greek Government might have done to better the situation between December, 1920, and August, 1922, it resolutely refused to do—it would not secure the abdication of the King, believing that his maintenance on the throne was more important than the vital interests of the nation.

This loyalty to the King M. Politis maintains is the key to the whole tragic enigma of Greece, and Mr. Harold Spender bears him out in this conclusion.

The extent of the catastrophe in Asia Minor becoming known a Revolutionary Government, drawn from all parties and interpreting the sentiment of the majority, drew up its programme with admirable promptitude, abdication of Constantine in favour of his eldest son, dissolution of the Assembly of 1920, reorganization of the Army for the safeguarding of Thrace and other remaining territories, the punishment of those held responsible for the national catastrophe, the carrying out of new elections.

Subsequent events, summarized by M. Politis, are still fresh in the public mind, including the summary execution of six of the condemned Ministers, a deed which resulted in the withdrawal of the British Minister from Athens.

What is not so well known is the work accomplished by the Revolutionary Government in other respects. Despite the burden of the refugees, it has succeeded in reforming the public services, and in disciplining and maintaining an army of 100,000 men.

V—M. G. PAPANDRÉOU AND THE FUTURE OF GREECE

In an interview in an Italian journal, M. Papandréou gave it as his conviction that Greece was only waiting for the signing of Peace, to transform its Revolutionary Government into a legal Government by the summoning of a new Parliament.

Meanwhile the Revolutionary Government was doing its best with its available resources. It had reorganized the public services by appointments, irrespective of political opinions, hitherto impracticable in Greece; new agrarian laws would place land at the disposal of the cultivators, a small indemnity being granted to the proprietors, while the decentralization of the public services would bring about a reform that had long been overdue. In short, M. Papandréou was of the opinion that Greece was about to enter a new era of industrious peace and prosperity which should constitute her once more, as heretofore, an appreciable factor of civilization in the Near East.

CORRESPONDENCE

DECENTRALIZATION

"CAPITAL and labour are in permanent competition for the fruits of production. When in years of war, say, £20,000,000 annually are provided by loan for three, five, or ten years, two consequences follow (1) An immense factitious stimulus is given to labour at the time, and thus much more labour is brought into the market, and (2) when that stimulus is withdrawn an augmented quantity of labour is left to compete in the market with a greatly diminished quantity of capital. Here is the story of the great misery of great masses of the English people after 1815, or, at least, a material part of that story" (Gladstone's reflections, after some experience as Chancellor of the Exchequer, of the Crimean War — "Morley's Life," vol. 1, p. 517)

Speaking very generally freedom of trade, or rather, free importation of food, was the chief remedy adopted to allay the miseries of the people in the 'Hungry Forties', but, even then, not without great opposition, and after thirty years of such misery as the country had hardly ever known. Now, after four years of so-called peace, the only remedy devised so far is a demoralizing system of "doles," and the alternatives suggested seem equally bad. The more benighted kind of farmers demand "protection for their industry, to the great injury of all other classes. Most capitalists can think of nothing but reducing wages and increasing the hours of work for labour, whilst Colonel Holdich, in *The Times* of February 17, tells us positively that "our overcrowded population is the root reason of this mischief" (unemployment), and that "*we all know it*"

It is true, of course, that our towns in England are shamefully overcrowded and cursed with slums that are a disgrace, but vast areas even in Great Britain are almost deserted and are crying out for labour to cultivate them. Surely there is one remedy that might be tried, and might even prove an effective remedy for all our troubles, and that is the decentralization of our great towns, say all those over 30,000, on the Garden City principle, so that England might in course of time become one great Garden City in which every artisan might have his own bit of garden, back and front, to grow some food, at any rate for his own consumption, as at Bourneville, and, I believe, in Belgium. In this way, Labour would have reasonable access to the land, and every artisan, including the

agricultural labourer would have two strings to his bow and be a free man at last if he chose to be

It is impossible to go into all the details of such a scheme in a mere letter and there are many difficulties to be overcome, but with the powerful assistance of the Calcutta University and the great organ of Capitalism there Captain Petavel seems to be in a fair way to carry out his pioneer scheme. Notwithstanding the extreme urgency of the unemployment problem in this country, it is doubtful if it will receive proper consideration here until it has made more progress in India where the circumstances are in some respects more favourable

J. B. PENNINGTON

March 7 1923

THE ASIATIC REVIEW (April Issue, 1923)

NOTES ON CONTRIBUTORS

The first article, entitled "Sir Basil Blackett's First Budget," has been written by an authority who has had much recent experience of financial administration in India.

The contributor to the Educational Section has been connected for nearly thirty years with Education in India in all its forms.

The series of articles under the general title of 'The Near Eastern Riddle' is continued in this issue. It is designed to assist readers of *The Asiatic Review* in forming a true judgment by presenting the problem to them from the different angles of the various parties concerned. Mr W. E. D. Allen has recently returned from the Near East, where he has been able to study the situation on the spot.

New features in the present issue include an Economic and an Historical Section.

Attention is also drawn to the article on "The Record of the Kato Administration," which throws fresh light on recent events in the Far East from an authoritative quarter.

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